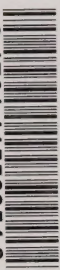



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Workplace gazette

Volume 6, No. 1

An Industrial Relations
Quarterly

Spring 2003

- Managing by Work Teams at Aluminerie Lauralco inc.
- Taking Action on the Aging of the Labour Force—Labour-Management Consensus in Quebec
- Workplace Safety Groups—Review of North American Results



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An Industrial Relations
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Issued by:

Workplace Information Directorate
Labour Program
Human Resources Development Canada
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Available in Canada through
your local bookseller
or by mail from

Canadian Government Publishing
Ottawa, Canada K1A 0S9

Catalogue No. L12-22E
ISSN 1480-6886

*The content of this publication has been prepared by members of
the Social Science Employees Association and the Public Service
Alliance of Canada.*

AT A GLANCE

The *Workplace Gazette* presents a wide range of information and analysis to meet the ever-changing needs of the industrial relations community. Its purpose is to provide a sound base for research in support of the bargaining process.

The *Workplace Gazette* includes information and analysis on wage adjustments, collective agreement provisions, innovative workplace practices, work stoppages, upcoming key negotiations and other related topics.

This issue includes annual and fourth quarter data for 2002 on wage adjustments in major collective agreements, both current and historical, by public and private sectors, by region, by jurisdiction and by major industry. Also, included is a listing of major settlements reached in the fourth quarter 2002, an overview of selected provisions featuring the interest arbitration and arbitration rights in Canada as well as information on work stoppages for the fourth and third quarters of 2002.

Innovative practices in the workplace resulting from collective bargaining are summarized. A case study features how Aluminerie Loralco inc. uses work teams within its management processes. Highlights of the *Work-Life Compendium 2001* is featured followed by a review of the report *Listening to the Voices of Canadians*.

An article by P. Jalette provides an employer-union consensus in Quebec regarding the impact of the aging labour force on the economy and living conditions of workers while another entry by S. Nadeau reviews the North American results in workplace safety groups. Also featured are an anti-harassment workplace training program initiated by the United Steelworkers of America and an overview of papers and briefs delivered at a conference concerning *Globalization and the Canadian Economy*.

Recent changes in Canadian Labour Laws focus on adopted bills, regulations and other statutory instruments. Yesterday and Today deals with the effects of technology.

The Departmental Library is commenting on reading suggestions related to integrating people with disabilities into the workforce.

TABLE of CONTENTS

Page

Major Wage Settlements—Annual and Fourth Quarter 2002	7
Major Settlements Reached in the Fourth Quarter 2002	13
Wage Settlements Tables	16
Selected Provisions in Collective Agreements <i>Marie-Ève BÉDARD</i>	26
Work Stoppages	33
Innovative Workplace Practices <i>Bruce ALDRIDGE</i>	38
• Managing by Work Teams at Aluminerie Lauralco inc. <i>Geneviève DOMPIERRE</i> <i>Nathalie LANGIS</i> <i>Stéphanie MASSÉ</i> <i>Sylvie ST-ONGE</i>	42
• Work-Life Compendium 2001—150 Canadian Statistics on Work, Family and Well-Being <i>University of Guelph and Women's Bureau</i>	50
• Listening to the Voices of Canadians <i>C.A. MONTSION</i>	54
• Taking Action on the Aging of the Labour Force—Labour-Management Consensus in Quebec <i>Patrice JALETTE</i> <i>Daniel VILLENEUVE</i>	57
• Anti-Harassment Workplace Training Program developed by United Steelworkers of America <i>JP SURETTE</i>	68

continued on next page

• Workplace Safety Groups—Review of North American Results <i>Daniel MONGRAIN</i> <i>Sylvie NADEAU</i>	70
• A Day to Remember—National Day of Mourning <i>Julie ROBILLARD</i>	84
• Globalization and the Canadian Economy—Implications for Labour Markets, Society and the State <i>JP SURETTE</i>	85

• Adopted Bills, Regulations and Other Statutory Instruments <i>Michel GAUVIN</i> <i>Charles Philippe ROCHON</i> <i>Caroline SAUVÉ</i>	87
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• Integrating People with Disabilities into the Workforce <i>Michèle AUGER</i> <i>Fred LONGLEY</i> <i>Edward POPOFF</i>	109
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• The Effects of the Technological Environment <i>Sandy BERGERON</i>	112
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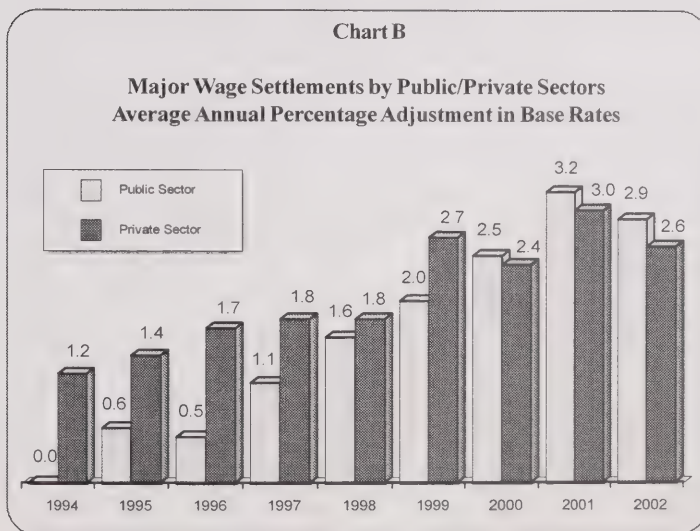
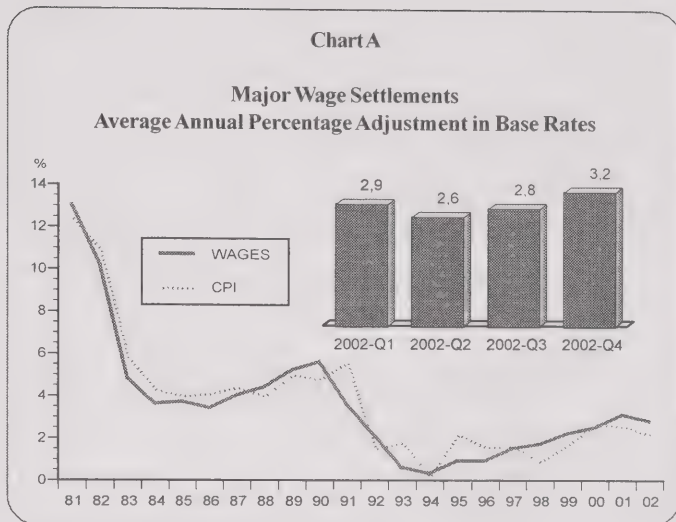
MAJOR WAGE SETTLEMENTS*

Overview

Major collective bargaining settlements reached in the year **2002** provided base-rate wage adjustments averaging **2.8 per cent** annually over the contract-term, a decrease from the 3.1 per cent average for the year 2001.

The results of the year 2002 are based on a review of 360 settlements reached, and cover 985,290 employees.

The average wage adjustment in 2002 was above the average in contracts they replaced. When the



parties to these settlements last negotiated, the resulting wage adjustments averaged 2.3 per cent, compared to the 2.8 per cent in their 2002 contracts.

Public and Private Sectors

Wage gains in the private sector remained above those in the public sector, throughout the 1990's. Since the year 2000, public sector increases have been slightly higher than those in the private sector. Wage adjustments in the **private sector** averaged **2.6 per cent** in

* Major settlements are those involving bargaining units of 500 or more employees. All wage rate adjustments over the term of these agreements, including those arising from cost-of-living clauses (COLA), are taken into account. The yield of such COLA clauses is estimated on an assumed 2.0 per cent annual increase in the Consumer Price Index.

2002, compared to **3.0 per cent** in the previous year; wage adjustments in the **public sector** averaged **2.9 per cent** in 2002, compared to **3.2 per cent** in the previous year.

Contract Duration

Contract duration has declined recently. The duration averaged 29.4 months in 2002, the shortest since 1994 (when the average was 28.4 months), but still longer than the 18.2 month average for contracts ratified in 1991. Two factors were largely responsible for this reduction in average contract duration: the signing of 63 collective agreements in the Quebec public and parapublic sectors, with contract durations of under 12 months (to facilitate the implementation of wage equity) and to a lesser extent, the ratification of 17 contracts of 12 months duration in the Ontario education sector. Together, these contracts in Quebec and Ontario represent 22 per cent of the collective agreements ratified in 2002 and 31 per cent of those in the public sector. Since the early 1990s, average contract duration in the public sector has always been shorter than in the private sector.

Even though only a few contracts were involved, the New Brunswick public sector, with an average

contract duration of 50.4 months, had the highest proportion of long-term contracts ratified in 2002. The second highest was in British Columbia, where almost half of the 35 agreements ratified in 2002 were of longer duration, 42 months on average. Most of these long-term settlements were in the construction industry and several were retroactive to 2000.

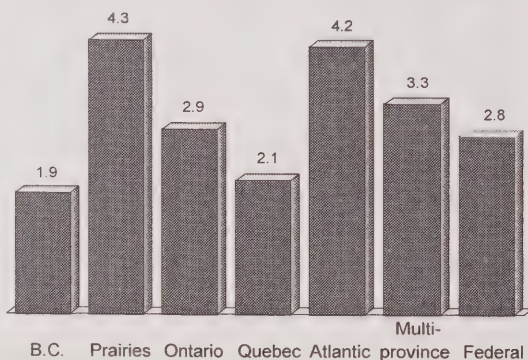
Cost-of-Living Allowances

The incidence of COLA clauses has also declined over the years. Whereas 32.6 per cent of agreements reached in 1990 contained a COLA clause, by the year 2000 the figure had dropped to 8.0 per cent, and in 2002 the figure was 9.0 per cent of settlements.

Distribution of Wage Adjustments

In 2002, 0.9 per cent of all employees were subject to a wage freeze. There were no wage cuts. A very large concentration of employees (55 per cent) received wage increases in the 2.0 to 2.9 per cent range. Approximately 23 per cent of employees received increases of 3.0 to 3.9 per cent. Just slightly below 9.0 per cent of employees received increases of 0.1 to 1.9 per cent. Slightly over 12 per cent of employees received wage gains of 4.0 per cent and over.

Chart C
Major Wage Settlements by Region/Jurisdiction
Average Annual Percentage Adjustment in Base Rates



Source : Workplace Information Directorate

Region/Jurisdiction

The largest concentration of settlements in 2002 were in Ontario and Quebec (37.8 per cent and 20.6 per cent of all agreements reached, respectively). In Ontario, 136 agreements provided 314,270 employees with wage increases averaging 2.9 per cent; the majority of these were public-sector settlements. The private-sector settlements included the important auto sector agreements with wage increases averaging 4.0 per cent. In

Quebec, 74 agreements provided 302,280 employees with wage gains averaging 2.1 per cent; of these, 58 were public-sector settlements providing 268,650 employees with wage increases averaging 2.0 per cent. The largest average increase in wages for major settlements was recorded in Newfoundland and Labrador, at 6.6 per cent. The smallest average wage figure was recorded in British Columbia, at 1.9 per cent. Wage increases in the Prairie provinces averaged 4.3 per cent and in the Federal jurisdiction, 2.8 per cent.

Industry

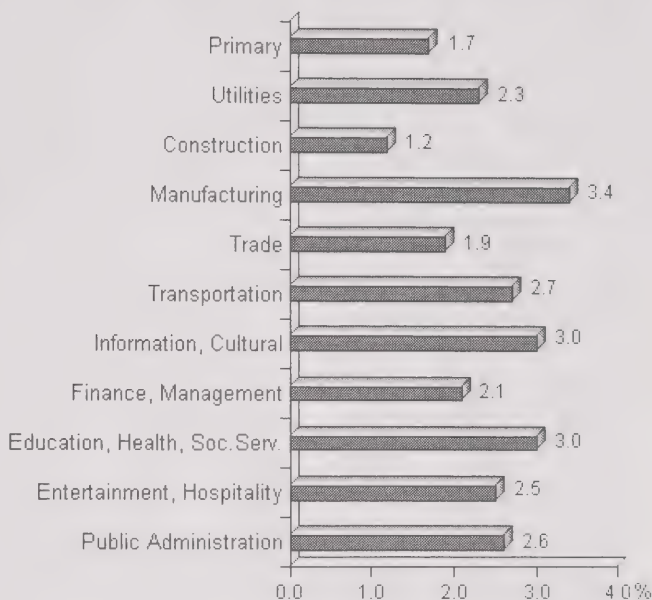
On an industry basis, the largest average wage increase was in **manufacturing**, at **3.4 per cent**. The next largest wage gains were in **the information and culture sector** and in **education, health and social services**, both at **3.0 per cent**. Settlement levels in all remaining industry groups stood below 3.0 per cent. The smallest average wage increase was reported in **primary industries** at **1.7 per cent**.

Fourth Quarter—2002

- A total of 75 agreements were settled in **the fourth quarter 2002**, providing some 136,930 employees with average base rate increases of **3.2 per cent**.

Chart D

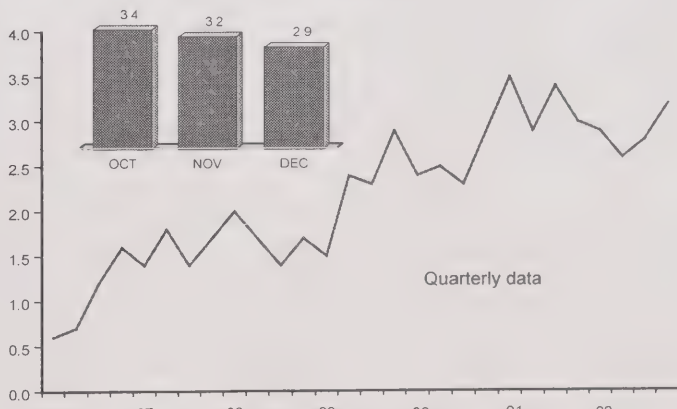
Major Wage Settlements by Industry Average Annual Percentage Adjustment in Base Rates



Source : Workplace Information Directorate

Chart E

Major Wage Settlements by Region/Jurisdiction Average Annual Percentage Adjustment in Base Rates



Source : Workplace Information Directorate

When the parties to these settlements previously negotiated, contract-duration averaged 33.6 months and the resulting wage adjustments averaged 3.3 per cent, compared to the 3.2 per cent in their current round of settlements and average contract-duration of 30.6 months.

- Wage gains in the fourth quarter were slightly lower in the **public sector (3.2 per cent)** than in the **private sector (3.3 per cent)**.
- On a regional/jurisdictional basis, wage adjustments in the fourth quarter were: Atlantic Provinces, 3.0 per cent; Quebec, 2.0 per cent; Ontario, 3.3 per cent; Prairie Provinces, 3.9 per cent; British Columbia, 1.9 per cent; Federal, 2.8 per cent.
- On an industry basis, wage increases in descending order of magnitude were: utilities, 3.3 per cent; manufacturing, 3.9 per cent; trade, 1.8 per cent; transportation, 2.7 per cent; finance, 3.2 per cent; education, health, 3.2 per cent; entertainment and hospitality, 1.7 per cent; public administration, 2.9 per cent.



Wage Data for the Year 2002 for Small, Medium and Large Size Bargaining Units

Among the 513 collective bargaining settlements reached in 2002, included were 146 small bargaining units (between 100 and 499 employees), 260 medium-sized bargaining units (500 to 1,999 employees), and 107 large bargaining units with 2,000 employees and over. During this period, the overall base-rate wage adjustment averaged 2.8 per cent. The **public sector** wage adjustment of **2.9 per cent** was higher than the **2.5 per cent** figure reported for the **private sector**.

Settlements reached in **small** bargaining units resulted in an average increase of **2.9 per cent**. **Public sector** settlements provided an average increase of **3.3 per cent**, higher than the **private sector** figure of **2.4 per cent**. On an industry basis, the **finance, real estate and management services** sector had the highest wage adjustment at **4.0 per cent** while the **primary industries** reported

the lowest average at **1.6 per cent**. On a regional/jurisdictional basis, average increases ranged from a high of **4.5 per cent** in the **Prairie Provinces** to a low of **1.6 per cent** in **British Columbia**.

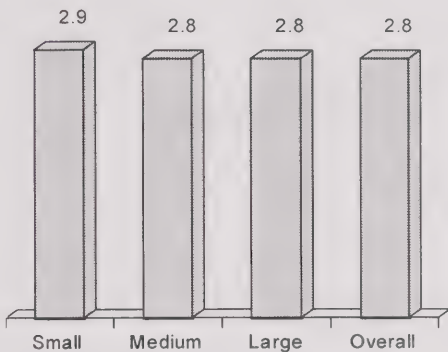
Medium-sized bargaining units obtained an average wage increase of **2.8 per cent**. **Public sector** settlements resulted in an average increase of **3.0 per cent** while the **private sector** figure stood at **2.5 per cent**. On an industry basis, two sectors, **education, health and social services** and **public administration** had the highest wage adjustment at **3.0 per cent** while the **construction** sector reported the lowest average at **1.5 per cent**. On a regional/jurisdictional basis, average increases ranged from a high of **3.9 per cent** in the **Multiprovince** category to a low of **1.8 per cent** in **British Columbia**.

For **large** bargaining units, the average wage increase reported was **2.8 per cent**. **Public sector** average wage increases (**2.8 per cent**) were slightly higher than the **private sector** average wage adjustment of **2.6 per cent**. On an industry basis, the **manufacturing** sector had the highest wage adjust-

ment at **3.6 per cent** while **construction** reported the lowest increase at **1.0 per cent**. On a regional/jurisdictional basis, average increases ranged from a high of **4.7 per cent** in the **Prairie Provinces** to a low of **2.0 per cent** reported in **British Columbia** and **Quebec**.

Chart F

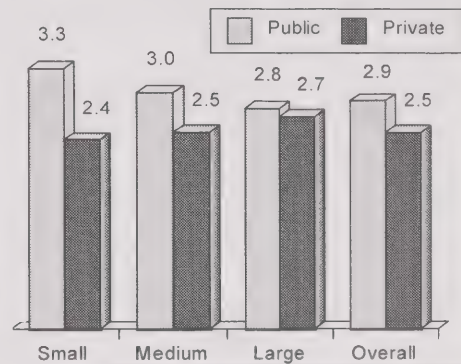
Average Annual Adjustment by Size of Bargaining Units



Source : Workplace Information Directorate

Chart G

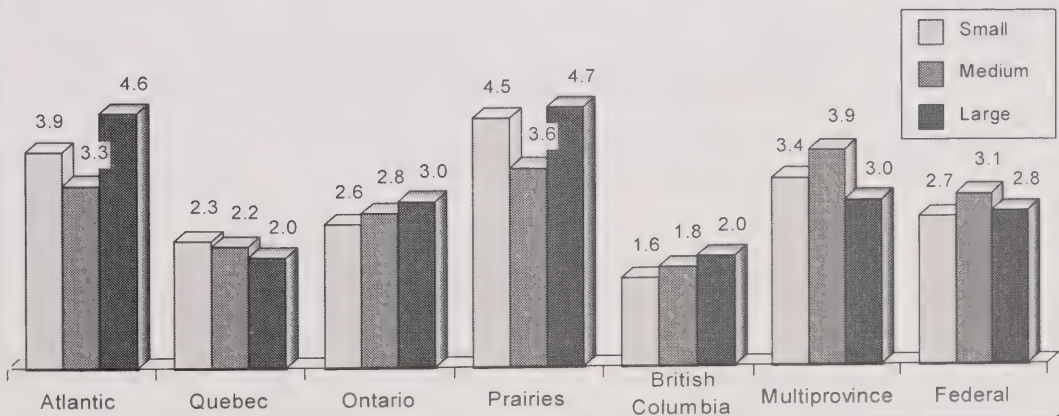
Annual Average Percentage Adjustment by Size of Bargaining Units, by Public and Private Sectors



Source : Workplace Information Directorate

Chart H

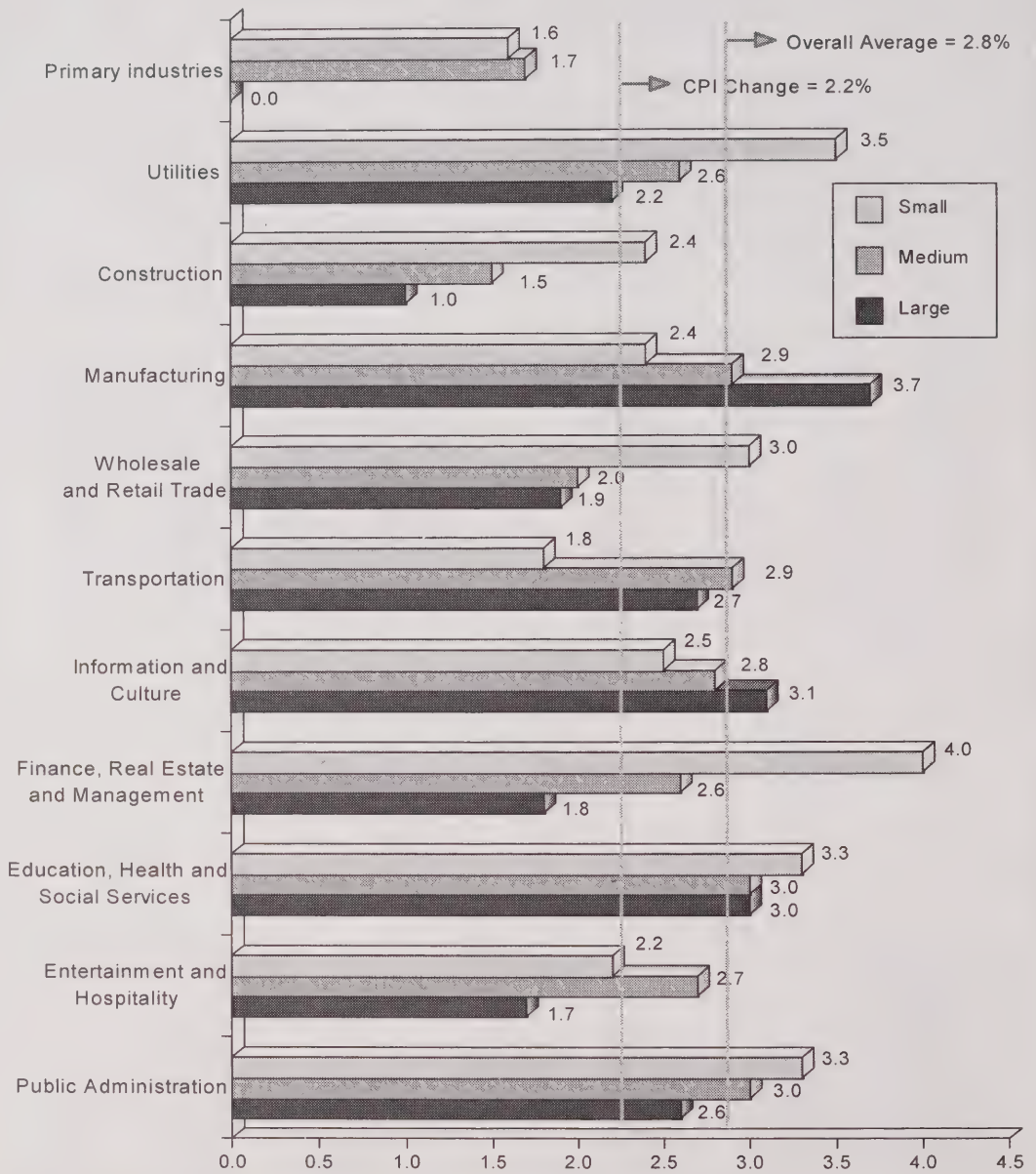
Annual Average Percentage Adjustment by Size of Bargaining Units, by Region/Jurisdiction



Source : Workplace Information Directorate

Chart I

Annual Average Percentage Adjustment by Size of Bargaining Units,
by Industry



Source : Workplace Information Directorate

#

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Education, Health and Social Services (continued)					
Board of Trustees Edmonton School District No. 7, office and clerical employees, Edmonton, Alta.	1,400	5.1	5.1	24	2004-08-31
Board of Trustees of the Edmonton Catholic Regional Division No. 40, office and clerical employees, Edmonton, Alta.	640	5.6	5.6	12	2002-12-31
Cape Breton-Victoria Regional School Board, support employees, Cape Breton Island, N.S.	1,400	2.5	2.5	36	2004-03-31
Carleton University, support employees, Ottawa, Ont.	650	2.5	2.5	24	2004-06-30
Children's Aid Society of Toronto, office and clerical employees, Toronto, Ont.	600	3.5	3.5	36	2005-03-31
City of Toronto, health and social care professionals, Toronto, Ont.	2,000	3.0	3.0	36	2004-12-31
Conseil scolaire catholique de district des Grandes Rivières, elementary and secondary teachers, Timmins, Ont.	750	2.7	2.7	36	2004-08-31
District School Board of Niagara, elementary teachers, St. Catharines, Ont.	1,900	2.1	2.1	12	2003-08-30
Dufferin-Peel Catholic District School Board, occasional teachers, Mississauga, Ont.	790	2.3	5.1	32	2004-08-31
Edmonton Catholic Separate School District No. 7, elementary and secondary teachers, Edmonton, Alta.	1,830	4.5	6.2	36	2004-08-31
Gouvernement du Québec, comité de coordination patronal, ambulance technicians, province-wide, Que.	3,500	1.3	2.0	18	2003-12-31
Government of Nunavut, elementary and secondary teachers, Territory-wide, Nunavut	640	3.1	3.0	36	2005-06-30
Government of Quebec, health and social care professionals, province-wide, Que.	1,880	2.5	2.5	12	2003-06-30
Governors of the University of Calgary, lecturers, Calgary, Alta.	1,940	3.6	3.5	24	2004-06-30
Grand Erie District School Board, secondary teachers, Brantford, Ont.	800	2.5	2.5	12	2002-08-31
Hastings and Prince Edward District School Board, elementary teachers, Belleville, Ont.	710	2.6	2.6	12	2002-08-31
Limestone District School Board, elementary teachers, Kingston, Ont.	800	2.1	2.1	12	2003-08-31
Niagara Catholic District School Board, elementary teachers, Welland, Ont.	830	3.1	3.2	24	2004-08-31
Niagara Catholic District School Board, support employees, Welland, Ont.	660	2.3	4.3	44	2005-08-31
Peterborough-Victoria-Northumberland and Clarington Catholic District School Board, elementary and secondary teachers, Peterborough, Ont.	860	3.3	3.3	24	2004-08-31
Provincial Health Authorities of Alberta, nursing assistants, province-wide, Alta.	7,050	3.5	4.0	24	2004-03-31
St. Boniface General Hospital, service and maintenance employees, St. Boniface, Man.	1,500	3.3	3.0	24	2004-03-31
Saskatchewan Association of Health Organizations, health and social care professionals, province-wide, Sask.	2,500	4.8	3.0	36	2004-03-31
Seven Oaks School Division No.10, elementary and secondary teachers, Seven Oaks, Man.	640	3.0	3.0	12	2003-06-30
Thames Valley District School Board, elementary teachers, London, Ont.	3,250	2.5	2.5	12	2003-08-30
University of Calgary, support employees, Calgary, Alta.	2,900	4.0	4.0	36	2005-03-31
University of Guelph, office and clerical employees, Guelph, Ont.	820	3.0	3.0	36	2005-04-30
University of Ottawa, professors, Ottawa, Ont.	1,130	6.9	5.7	36	2004-08-31
University of Ottawa, teaching assistants, Ottawa, Ont.	1,640	3.0	3.0	24	2004-08-31
University of Quebec in Montréal, support employees, Montréal, Que.	1,450	2.0	2.0	12	2003-11-30
University of Toronto, administrative services employees, Toronto, Ont.	3,000	3.0	3.0	36	2005-06-30

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Education, Health and Social Services (continued)					
University of Toronto, casual employees, Toronto, Ont.	1,300	3.0	3.0	36	2005-06-3
University of Toronto, service and maintenance employees, Toronto, Ont.	570	3.0	3.0	24	2004-06-30
Waterloo Region District School Board, teaching assistants, Waterloo County, Ont.	530	2.3	2.3	12	2002-08-31
York University, teaching assistants, Toronto, Ont.	1,900	2.7	2.2	36	2005-08-31
Entertainment and Hospitality (1 agreement)					
Coast Hotels Ltd., hotel and restaurant employees, Nanaimo, B.C.	900	1.7	1.0	48	
	900	1.7	1.0	48	2006-04-30
Public Administration (13 agreements)					
	34,080	2.9	2.7	34.5	
City of Calgary, police officers, Calgary, Alta.	1,430	3.3	3.5	24	2003-12-31
City of Kingston, outside employees, Kingston, Ont.	1,200	2.9	3.0	36	2004-12-31
City of Ottawa, firefighters, Ottawa, Ont.	800	1.8	0.0	36	2003-12-31
City of Ottawa, health and social care professionals, Ottawa, Ont.	1,000	2.5	0.0	36	2003-12-31
City of Toronto, inside employees, Toronto, Ont.	11,000	3.0	3.0	36	2004-12-31
City of Toronto, inside and outside employees, Toronto, Ont.	1,500	3.0	3.0	36	2004-12-31
City of Toronto, outside employees, Toronto, Ont.	5,200	3.0	3.0	36	2004-12-31
City of Toronto, recreational employees, Toronto, Ont.	5,000	3.0	3.0	36	2004-12-31
Government of Canada, finance employees, Canada-wide	2,560	2.5	2.8	36	2004-11-06
Government of New Brunswick, health and social care professionals, province-wide, N.B.	1,250	3.2	2.0	48	2004-08-15
Government of Quebec, correctional officers, province-wide, Que.	2,000	2.0	2.0	12	2003-12-31
Halifax Regional Municipality, inside employees, Halifax, N.S.	530	2.7	3.0	36	2004-10-31
Waterloo Regional Police Services Board, police officers, Waterloo, Ont.	610	3.3	3.4	36	2004-12-31
*Agreements with COLA (8 agreements)					
	27,830	3.9*	3.6	36.3	
*Agreements without COLA (67 agreements)					
	109,100	3.0	3.2	31.7	
*All Agreements (75 agreements)					
	136,930	3.2	3.3	32.6	

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Source: Workplace Information Directorate

A list of settlements of small bargaining units (less than 500 employees) is available on the Workplace Information Directorate Web site at:

<http://labour-travail.hrdc-drhc.gc.ca/doc/wid-dimt/eng/>

Table 1
Major Wage Settlements, by Public and Private Sectors,
by Year and Quarter

Year	Public Sector				Private Sector				All Sectors			
	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.
	(Months)	(000's)	(%)		(Months)	(000's)	(%)		(Months)	(000's)	(%)	
1982	319	14.6	865.1	10.4	189	25.2	282.2	9.5	508	17.2	1,147.3	10.2
1983	458	19.6	1,241.6	4.6	200	25.0	302.8	5.5	658	20.6	1,544.3	4.8
1984	276	17.0	635.2	3.9	283	26.1	521.0	3.2	559	21.1	1,156.2	3.6
1985	316	21.7	566.8	3.8	200	30.1	271.8	3.3	516	24.5	838.6	3.7
1986	321	25.3	709.2	3.6	232	26.0	412.2	3.0	553	25.6	1,121.5	3.4
1987	270	29.4	824.3	4.1	208	31.4	287.0	3.8	478	29.9	1,111.3	4.0
1988	301	24.0	698.6	4.0	241	27.2	484.1	5.0	542	25.3	1,182.7	4.4
1989	294	30.0	736.0	5.2	159	28.6	265.8	5.2	453	29.6	1,001.8	5.2
1990	283	27.4	677.8	5.6	224	29.7	468.5	5.7	507	28.4	1,146.4	5.6
1991	365	16.0	1,121.7	3.4	182	29.2	224.0	4.4	547	18.2	1,345.6	3.6
1992	301	21.7	975.9	2.0	195	32.2	330.9	2.6	496	24.3	1,306.8	2.1
1993	347	23.4	1,012.0	0.6	171	25.2	400.5	0.8	518	23.9	1,412.5	0.7
1994	299	26.5	719.8	-0.0	135	34.5	222.8	1.2	434	28.4	942.6	0.3
1995	215	31.5	629.6	0.6	187	35.9	279.2	1.4	402	32.8	908.8	0.9
1996	212	31.7	564.3	0.5	166	34.7	246.1	1.7	378	32.6	810.4	0.9
1997	220	30.3	370.3	1.1	159	38.1	321.9	1.8	379	33.9	692.2	1.5
1998	221	31.1	646.3	1.6	191	33.7	292.0	1.8	412	31.9	938.3	1.7
1999	219	35.0	510.6	2.0	160	38.3	317.6	2.7	379	36.3	828.1	2.2
2000	303	33.6	918.0	2.5	103	42.1	163.3	2.4	406	34.9	1,081.3	2.5
2001	258	31.9	690.3	3.2	164	36.4	293.8	3.0	422	33.3	984.1	3.1
2002 *	256	25.8	775.4	2.9	104	40.8	209.9	2.6	360	29.0	985.3	2.8
* Year to Date												
Quarter												
1999 I	79	32.5	192.9	1.3	32	37.5	59.0	2.2	111	33.7	251.9	1.5
II	72	37.4	208.5	2.4	54	40.8	64.0	2.5	126	38.2	272.4	2.4
III	33	36.9	50.0	2.3	42	37.4	127.1	2.4	75	37.3	177.1	2.4
IV	35	33.3	59.3	2.2	32	38.3	67.5	3.8	67	35.9	126.7	3.0
2000 I	122	39.9	497.4	2.4	30	30.5	39.2	3.0	152	39.2	536.6	2.4
II	58	21.3	208.4	2.5	29	41.1	34.3	2.6	87	24.1	242.7	2.6
III	44	33.5	79.6	2.6	20	52.2	58.8	1.9	64	41.4	138.4	2.3
IV	79	29.3	132.5	3.0	24	38.6	31.0	2.3	103	31.1	163.6	2.9
2001 I	59	29.7	144.3	3.8	20	35.9	34.1	2.5	79	30.8	178.4	3.5
II	88	30.9	200.8	2.7	69	35.6	109.8	3.0	157	32.6	310.6	2.8
III	58	31.2	129.0	3.5	43	35.8	117.4	3.3	101	33.4	246.4	3.4
IV	53	34.9	216.2	3.1	32	41.5	32.5	2.4	85	35.8	248.7	3.0
2002 I	45	34.5	174.3	3.0	19	36.3	33.9	2.2	64	34.8	208.2	2.9
II	105	19.9	406.0	2.7	25	38.1	47.5	2.5	130	21.8	453.5	2.6
III	48	30.8	103.6	3.1	43	45.5	83.1	2.4	91	37.3	186.7	2.8
IV	58	29.7	91.6	3.2	17	38.5	45.4	3.3	75	32.6	136.9	3.2

Agmts. - Number of Agreements
Dur. - Average Agreement Duration
Empls. - Number of Employees
Avg. Adj. - Average Annual Adjustment (%)

Table 2
Effective Wage Adjustment in Base Rates, by Region/Jurisdiction,
by Year and Quarter

	2000	2001	2002	2002			
	(%)	(%)	(%)	1 (%)	2 (%)	3 (%)	4 (%)
All Sectors							
CANADA	2.5	3.1	2.8	2.9	2.6	2.8	3.2
<i>Atlantic</i>	2.6	3.9	4.2	5.7	3.9	3.2	3.0
Newfoundland and Labrador	3.3	5.0	6.6	7.5	6.0	-	4.4
Prince Edward Island	2.2	3.1	4.9	-	3.2	6.0	-
Nova Scotia	2.2	3.7	2.4	2.5	2.3	2.5	2.5
New Brunswick	2.8	3.4	2.9	3.1	2.3	3.3	3.2
Quebec	2.4	2.8	2.1	2.5	2.1	2.2	2.0
Ontario	2.6	2.9	2.9	2.7	2.8	3.0	3.3
<i>Prairies</i>	3.9	4.2	4.3	3.6	5.4	3.7	3.9
Manitoba	2.6	2.4	4.0	2.8	5.4	3.0	3.2
Saskatchewan	3.5	2.9	3.9	3.2	4.2	3.9	3.8
Alberta	4.7	5.1	5.0	6.8	6.3	4.4	3.9
British Columbia	1.6	2.7	1.9	2.5	1.0	1.4	1.9
Territories	2.9	3.1	3.0	-	3.0	-	3.1
Multiprovince	2.4	3.2	4.3	-	-	4.3	-
Federal	2.2	3.0	2.8	2.8	2.8	2.9	2.8
Public Sector							
CANADA	2.5	3.2	2.9	3.0	2.7	3.1	3.2
<i>Atlantic</i>	2.9	4.0	4.3	5.7	4.1	3.1	3.0
Newfoundland and Labrador	5.3	5.0	7.2	7.5	7.1	-	4.4
Prince Edward Island	2.2	3.1	4.9	-	3.2	6.0	-
Nova Scotia	2.2	3.8	2.3	2.5	2.3	2.1	2.5
New Brunswick	3.5	3.5	3.0	3.1	2.4	3.3	3.2
Quebec	2.3	2.7	2.0	2.6	2.0	2.5	2.2
Ontario	2.7	3.0	2.8	2.8	2.8	2.8	2.9
<i>Prairies</i>	3.9	4.1	4.8	4.2	6.1	3.9	3.9
Manitoba	2.5	2.4	4.6	3.1	6.4	3.0	3.2
Saskatchewan	3.6	2.9	4.4	4.2	5.3	3.9	4.2
Alberta	4.7	4.9	5.1	6.8	6.3	5.0	3.9
British Columbia	1.4	2.7	2.2	2.5	0.2	1.9	-
Territories	2.9	3.1	3.0	-	3.0	-	3.1
Multiprovince	-	-	-	-	-	-	-
Federal	2.2	3.1	2.9	2.9	2.9	2.9	3.4
Private Sector							
CANADA	2.4	3.0	2.6	2.2	2.5	2.4	3.3
<i>Atlantic</i>	1.7	3.3	3.0	-	2.7	4.0	-
Newfoundland and Labrador	2.0	-	3.0	-	3.0	-	-
Prince Edward Island	-	-	-	-	-	-	-
Nova Scotia	1.7	3.3	4.0	-	-	4.0	-
New Brunswick	1.4	3.0	2.0	-	2.0	-	-
Quebec	3.3	2.8	2.5	2.4	3.3	2.2	1.7
Ontario	2.3	2.8	3.1	2.1	2.4	3.1	3.9
<i>Prairies</i>	3.9	4.8	1.6	1.6	0.8	2.4	1.8
Manitoba	3.3	2.5	1.3	1.7	0.0	2.6	-
Saskatchewan	2.0	2.9	1.6	1.6	1.6	-	1.8
Alberta	5.0	5.5	2.3	-	-	2.3	-
British Columbia	2.0	1.7	1.4	-	1.9	1.3	1.9
Territories	-	-	-	-	-	-	-
Multiprovince	2.4	3.2	4.3	-	-	4.3	-
Federal	2.2	2.6	2.6	2.4	2.8	3.0	2.6

Table 3
Number of Agreements and Employees Covered, by Region/Jurisdiction,
by Year and Quarter

	2000		2001		2002	
	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)
All Sectors						
CANADA	406	1,081.3	422	984.1	360	985.3
<i>Atlantic</i>	19	28.5	33	62.9	26	47.5
Newfoundland and Labrador	4	5.0	7	16.1	6	17.7
Prince Edward Island	2	1.3	5	6.7	2	1.7
Nova Scotia	4	11.7	15	19.4	10	16.7
New Brunswick	9	10.4	6	20.6	8	11.5
Quebec	96	345.9	42	110.6	74	302.3
Ontario	150	286.9	180	308.5	136	314.3
<i>Prairies</i>	62	109.3	76	147.8	60	127.8
Manitoba	20	29.7	16	12.8	23	44.6
Saskatchewan	4	14.3	14	41.9	13	34.0
Alberta	38	65.2	46	93.1	24	49.2
British Columbia	38	67.7	34	167.1	32	92.8
Territories	3	5.6	2	2.0	2	3.8
Multiprovince	3	2.8	8	13.8	1	1.0
Federal	35	234.7	47	171.6	29	95.8
Public Sector						
CANADA	303	918.0	258	690.3	256	775.4
<i>Atlantic</i>	10	20.6	25	55.5	22	42.9
Newfoundland and Labrador	3	2.0	7	16.1	5	15.2
Prince Edward Island	2	1.3	5	6.7	2	1.7
Nova Scotia	2	10.6	8	13.3	8	15.6
New Brunswick	3	6.7	5	19.4	7	10.5
Quebec	76	322.0	18	25.8	58	268.7
Ontario	105	212.6	108	187.0	97	224.9
<i>Prairies</i>	58	106.0	55	118.1	48	111.3
Manitoba	19	28.6	9	7.2	17	37.2
Saskatchewan	3	13.8	12	40.6	8	27.9
Alberta	36	63.7	34	70.3	23	46.2
British Columbia	29	41.6	24	157.6	12	60.2
Territories	3	5.6	2	2.0	2	3.8
Multiprovince	-	-	-	-	-	-
Federal	22	209.5	26	144.3	17	63.7
Private Sector						
CANADA	103	163.3	164	293.8	104	209.9
<i>Atlantic</i>	9	7.8	8	7.3	4	4.6
Newfoundland and Labrador	1	3.0	-	-	1	2.5
Prince Edward Island	-	-	-	-	-	-
Nova Scotia	2	1.1	7	6.1	2	1.1
New Brunswick	6	3.7	1	1.2	1	1.0
Quebec	20	23.8	24	84.7	16	33.6
Ontario	45	74.3	72	121.5	39	89.4
<i>Prairies</i>	4	3.2	21	29.7	12	16.6
Manitoba	1	1.1	7	5.7	6	7.4
Saskatchewan	1	0.6	2	1.2	5	6.1
Alberta	2	1.5	12	22.8	1	3.0
British Columbia	9	26.0	10	9.4	20	32.6
Territories	-	-	-	-	-	-
Multiprovince	3	2.8	8	13.8	1	1.0
Federal	13	25.2	21	27.3	12	32.0

Table 3 (continued)
Number of Agreements and Employees Covered, by Region/Jurisdiction,
by Year and Quarter

	2002							
	1		2		3		4	
	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)
All Sectors								
CANADA	64	208.2	130	453.5	91	186.7	75	136.9
<i>Atlantic</i>	4	13.0	10	22.1	8	8.7	4	3.7
Newfoundland and Labrador	1	8.0	4	9.2	-	-	1	0.5
Prince Edward Island	-	-	1	0.6	1	1.0	-	-
Nova Scotia	2	1.7	2	8.1	4	4.9	2	1.9
New Brunswick	1	3.3	3	4.2	3	2.8	1	1.3
Quebec	8	10.8	55	266.9	6	14.9	5	9.7
Ontario	22	78.9	34	84.8	36	66.6	44	84.0
<i>Prairies</i>	17	15.7	16	47.6	13	40.2	14	24.3
Manitoba	9	8.1	6	19.5	6	14.8	2	2.1
Saskatchewan	4	5.1	4	12.2	1	12.4	4	4.4
Alberta	4	2.5	6	15.9	6	13.0	8	17.8
British Columbia	4	47.6	6	9.6	20	34.1	2	1.6
Territories	-	-	1	3.2	-	-	1	0.6
Multiprovince	-	-	-	-	1	1.0	-	-
Federal	9	42.1	8	19.4	7	21.2	5	13.1
Public Sector								
CANADA	45	174.3	105	406.0	48	103.6	58	91.6
<i>Atlantic</i>	4	13.0	8	18.6	6	7.6	4	3.7
Newfoundland and Labrador	1	8.0	3	6.7	-	-	1	0.5
Prince Edward Island	-	-	1	0.6	1	1.0	-	-
Nova Scotia	2	1.7	2	8.1	2	3.8	2	1.9
New Brunswick	1	3.3	2	3.2	3	2.8	1	1.3
Quebec	4	4.2	50	256.4	1	2.8	3	5.3
Ontario	15	60.6	26	78.8	21	30.3	35	55.3
<i>Prairies</i>	13	12.0	13	40.9	9	34.8	13	23.6
Manitoba	7	6.3	5	16.4	3	12.4	2	2.1
Saskatchewan	2	3.2	2	8.7	1	12.4	3	3.6
Alberta	4	2.5	6	15.9	5	10.0	8	17.8
British Columbia	4	47.6	3	4.9	5	7.6	-	-
Territories	-	-	1	3.2	-	-	1	0.6
Multiprovince	-	-	-	-	-	-	-	-
Federal	5	37.0	4	3.2	6	20.5	2	3.1
Private Sector								
CANADA	19	33.9	25	47.5	43	83.1	17	45.4
<i>Atlantic</i>	-	-	2	3.5	2	1.1	-	-
Newfoundland and Labrador	-	-	1	2.5	-	-	-	-
Prince Edward Island	-	-	-	-	-	-	-	-
Nova Scotia	-	-	-	-	2	1.1	-	-
New Brunswick	-	-	1	1.0	-	-	-	-
Quebec	4	6.7	5	10.6	5	12.1	2	4.4
Ontario	7	18.4	8	6.0	15	36.3	9	28.7
<i>Prairies</i>	4	3.7	3	6.7	4	5.5	1	0.7
Manitoba	2	1.8	1	3.2	3	2.5	-	-
Saskatchewan	2	1.9	2	3.5	-	-	1	0.7
Alberta	-	-	-	-	1	3.0	-	-
British Columbia	-	-	3	4.6	15	26.5	2	1.6
Territories	-	-	-	-	-	-	-	-
Multiprovince	-	-	-	-	1	1.0	-	-
Federal	4	5.2	4	16.1	1	0.7	3	10.0

Table 4

Effective Wage Adjustment in Base Rates, by Major Industry Division, with and without COLA, by year and Quarter

	Non-COLA Agreements				COLA Agreements				All Agreements			
	Agmts.	Dur. (Months)	Empls. (000's)	Avg. Adj. (%)	Agmts.	Dur. (Months)	Empls. (000's)	Avg. Adj. (%)	Agmts.	Dur. (Months)	Empls. (000's)	Avg. Adj. (%)
Primary Industries												
2000	1	40.0	0.5	2.0	3	36.0	4.9	1.8	4	36.4	5.5	1.8
2001	4	40.9	3.3	3.1	2	45.5	3.1	2.1	6	43.1	6.4	2.6
2002	1	48.0	0.6	1.5	2	36.0	1.7	1.8	3	39.2	2.4	1.7
2002 I	-	-	-	-	-	-	-	-	-	-	-	-
II	1	48.0	0.6	1.5	-	-	-	-	1	48.0	0.6	1.5
III	-	-	-	-	2	36.0	1.7	1.8	2	36.0	1.7	1.8
IV	-	-	-	-	-	-	-	-	-	-	-	-
Utilities												
2000	14	24.5	25.1	3.5	-	-	-	-	14	24.5	25.1	3.5
2001	10	26.4	12.5	2.6	4	47.0	9.8	2.3	14	35.5	22.3	2.5
2002	13	30.9	17.9	2.3	2	36.0	1.3	3.0	15	31.3	19.1	2.3
2002 I	3	19.1	6.1	3.3	-	-	-	-	3	19.1	6.1	3.3
II	5	40.1	6.4	0.7	-	-	-	-	5	40.1	6.4	0.7
III	3	34.2	4.1	2.9	-	-	-	-	3	34.2	4.1	2.9
IV	2	30.5	1.3	3.6	2	36.0	1.3	3.0	4	33.2	2.6	3.3
Construction												
2000	7	25.2	8.9	3.6	1	48.0	0.5	2.7	8	26.4	9.4	3.6
2001	62	34.8	191.6	3.2	3	60.0	2.5	3.5	65	35.1	194.1	3.2
2002	12	47.4	23.7	1.2	-	-	-	-	12	47.4	23.7	1.2
2002 I	-	-	-	-	-	-	-	-	-	-	-	-
II	-	-	-	-	-	-	-	-	-	-	-	-
III	12	47.4	23.7	1.2	-	-	-	-	12	47.4	23.7	1.2
IV	-	-	-	-	-	-	-	-	-	-	-	-
Manufacturing												
2000	36	33.5	47.4	2.2	17	35.8	21.7	3.6	53	34.2	69.0	2.7
2001	23	46.4	18.7	2.3	27	36.2	26.3	2.7	50	40.4	44.9	2.5
2002	25	40.8	32.2	2.9	19	36.9	54.6	3.7	44	38.3	86.8	3.4
2002 I	7	36.9	10.2	2.7	-	-	-	-	7	36.9	10.2	2.7
II	8	40.6	14.6	3.1	4	36.0	2.8	2.7	12	39.9	17.4	3.0
III	5	49.6	4.3	2.6	9	37.6	25.2	3.6	14	39.4	29.5	3.5
IV	5	42.1	3.2	2.8	6	36.3	26.6	4.0	11	37.0	29.7	3.9
Wholesale and Retail Trade												
2000	12	53.8	33.0	1.9	2	71.4	10.6	1.0	14	58.1	43.6	1.7
2001	6	48.5	4.8	1.6	-	-	-	-	6	48.5	4.8	1.6
2002	17	40.7	39.2	2.0	1	36.0	5.2	1.4	18	40.1	44.4	1.9
2002 I	4	37.0	9.9	1.6	1	36.0	5.2	1.4	5	36.6	15.1	1.6
II	7	34.5	13.8	2.1	-	-	-	-	7	34.5	13.8	2.1
III	5	49.6	14.3	2.2	-	-	-	-	5	49.6	14.3	2.2
IV	1	36.0	1.2	1.8	-	-	-	-	1	36.0	1.2	1.8
Transportation												
2000	14	39.0	41.1	2.7	5	34.3	53.6	2.2	19	36.3	94.7	2.4
2001	24	34.2	32.1	2.8	3	46.8	4.9	3.3	27	35.8	37.0	2.9
2002	10	40.0	26.2	2.7	2	37.7	3.5	2.9	12	39.7	29.7	2.7
2002 I	3	38.8	4.5	2.0	2	37.7	3.5	2.9	5	38.3	8.0	2.4
II	3	36.0	10.8	2.7	-	-	-	-	3	36.0	10.8	2.7
III	1	36.0	1.1	5.4	-	-	-	-	1	36.0	1.1	5.4
IV	3	45.3	9.8	2.7	-	-	-	-	3	45.3	9.8	2.7

Agmts. - Number of Agreements
Dur. - Average Agreement Duration
Empls. - Number of Employees
Avg. Adj. - Average Annual Adjustment (%)

Table 4 (continued)

Effective Wage Adjustment in Base Rates, by Major Industry Division, with and without COLA, by year and Quarter

	Non-COLA Agreements				COLA Agreements				All Agreements			
	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.
	(Months)	(Months)	(000's)	(%)	(Months)	(Months)	(000's)	(%)	(Months)	(Months)	(000's)	(%)
Information and Culture												
2000	8	39.4	10.3	2.9	-	-	-	-	8	39.4	10.3	2.9
2001	6	34.5	8.9	3.2	1	60.0	1.1	2.9	7	37.4	10.1	3.2
2002	8	34.5	22.3	3.1	1	36.0	0.9	1.7	9	34.6	23.2	3.0
2002 I	1	36.0	1.0	3.0	-	-	-	-	1	36.0	1.0	3.0
II	3	35.7	14.2	3.1	1	36.0	0.9	1.7	4	35.7	15.1	3.1
III	4	31.9	7.1	3.0	-	-	-	-	4	31.9	7.1	3.0
IV	-	-	-	-	-	-	-	-	-	-	-	-
Finance, Real Estate and Management Services												
2000	7	35.4	12.0	1.7	1	36.0	1.1	2.8	8	35.4	13.1	1.8
2001	12	37.1	14.6	2.2	-	-	-	-	12	37.1	14.6	2.2
2002	8	55.2	12.6	2.1	-	-	-	-	8	55.2	12.6	2.1
2002 I	2	43.6	1.1	3.4	-	-	-	-	2	43.6	1.1	3.4
II	1	24.0	0.8	0.0	-	-	-	-	1	24.0	0.8	0.0
III	2	59.0	8.7	1.9	-	-	-	-	2	59.0	8.7	1.9
IV	3	57.3	1.9	3.2	-	-	-	-	3	57.3	1.9	3.2
Education, Health and Social Services												
2000	201	38.2	503.6	2.6	1	36.0	0.9	4.7	202	38.2	504.5	2.6
2001	164	28.7	301.8	3.5	5	36.8	101.3	2.8	169	30.7	403.1	3.3
2002	174	23.0	503.2	3.0	2	36.0	1.9	3.9	176	23.1	505.1	3.0
2002 I	31	34.4	119.2	3.1	-	-	-	-	31	34.4	119.2	3.1
II	79	16.1	270.6	2.8	1	36.0	0.9	2.2	80	16.2	271.5	2.8
III	25	29.3	56.7	3.4	1	36.0	1.0	5.4	26	29.4	57.7	3.4
IV	39	25.8	56.7	3.2	-	-	-	-	39	25.8	56.7	3.2
Entertainment and Hospitality												
2000	6	46.2	7.7	3.0	-	-	-	-	6	46.2	7.7	3.0
2001	4	36.0	6.4	4.0	-	-	-	-	4	36.0	6.4	4.0
2002	9	44.9	8.7	2.5	1	36.0	0.6	2.4	10	44.3	9.3	2.5
2002 I	-	-	-	-	1	36.0	0.6	2.4	1	36.0	0.6	2.4
II	1	48.0	3.5	1.7	-	-	-	-	1	48.0	3.5	1.7
III	7	41.8	4.3	3.3	-	-	-	-	7	41.8	4.3	3.3
IV	1	48.0	0.9	1.7	-	-	-	-	1	48.0	0.9	1.7
Public Administration												
2000	69	25.9	293.2	2.3	1	36.0	5.3	2.4	70	26.1	298.5	2.3
2001	56	32.5	204.0	3.1	6	36.0	36.5	2.7	62	33.1	240.6	3.0
2002	50	30.1	226.5	2.6	2	36.0	2.2	2.6	52	30.1	228.7	2.6
2002 I	7	36.2	44.8	2.8	2	36.0	2.2	2.6	9	36.2	47.0	2.8
II	15	25.5	113.0	2.4	-	-	-	-	15	25.5	113.0	2.4
III	15	32.5	34.6	2.7	-	-	-	-	15	32.5	34.6	2.7
IV	13	34.5	34.1	2.9	-	-	-	-	13	34.5	34.1	2.9

Agmts. - Number of Agreements
Dur. - Average Agreement Duration
Empls. - Number of Employees
Avg. Adj. - Average Annual Adjustment (%)

Table 5

**Effective Wage Adjustment in Base Rates, Number of Agreements and Employees Covered,
by year and Quarter**

	2000	2001	2002	2002			
				1	2	3	4
All Industries							
Wage Adjustment (%)	2.5	3.1	2.8	2.9	2.6	2.8	3.2
Number of Agreements	406	422	360	64	130	91	75
Number of Employees (000's)	1,081.3	984.1	985.3	208.2	453.5	186.7	136.9
Private Sector							
Wage Adjustment (%)	2.4	3.0	2.6	2.2	2.5	2.4	3.3
Number of Agreements	103	164	104	19	25	43	17
Number of Employees (000's)	163.3	293.8	209.9	33.9	47.5	83.1	45.4
Public Sector							
Wage Adjustment (%)	2.5	3.2	2.9	3.0	2.7	3.1	3.2
Number of Agreements	303	258	256	45	105	48	58
Number of Employees (000's)	918.0	690.3	775.4	174.3	406.0	103.6	91.6
Federal Administration							
Wage Adjustment (%)	2.1	3.0	2.9	2.9	3.9	2.8	3.4
Number of Agreements	18	17	11	3	2	4	2
Number of Employees (000's)	154.8	131.5	54.8	33.5	1.3	16.9	3.1
Federal Crown Corporations							
Wage Adjustment (%)	2.2	3.7	2.8	2.9	2.1	3.0	-
Number of Agreements	3	7	6	2	2	2	-
Number of Employees (000's)	46.6	9.1	8.9	3.5	1.9	3.6	-
Provincial Administration							
Wage Adjustment (%)	2.6	3.2	2.3	2.6	2.4	1.9	2.4
Number of Agreements	37	26	23	3	13	4	3
Number of Employees (000's)	114.4	86.2	135.0	9.9	113.0	8.4	3.8
Local Administration							
Wage Adjustment (%)	2.5	2.6	3.0	3.0	2.8	3.4	3.0
Number of Agreements	33	28	29	4	6	8	11
Number of Employees (000's)	69.2	38.3	60.8	4.5	16.9	10.4	29.0
Education, Health and Social Services							
Wage Adjustment (%)	2.6	3.3	3.0	3.1	2.8	3.4	3.3
Number of Agreements	200	167	176	31	80	27	38
Number of Employees (000's)	501.9	400.5	504.1	119.2	271.5	60.2	53.2
Public Utilities							
Wage Adjustment (%)	3.6	2.7	3.0	3.1	2.2	2.9	3.3
Number of Agreements	12	13	11	2	2	3	4
Number of Employees (000's)	31.0	24.7	11.8	3.7	1.4	4.1	2.6

Table 6

**Selected Economic Indicators
by Year and Quarter**

	2000	2001	2002	2002			
				1	2	3	4
Wage Settlements (%)	2.5	3.1	2.8	2.9	2.6	2.8	3.2
Public Sector (%)	2.5	3.2	2.9	3.0	2.7	3.1	3.2
Private Sector (%)	2.4	3.0	2.6	2.2	2.5	2.4	3.3
Agreements in Force	2.3	2.8	2.8	2.9	3.0	2.8	2.6
Public Sector (%)	2.2	2.9	2.9	3.1	3.0	2.8	2.7
Private Sector (%)	2.4	2.6	2.7	2.6	2.8	2.7	2.5
Consumer Price Index							
Per Cent Change ¹	2.7	2.6	2.2	1.5	1.3	2.3	3.8
GDP ² at Basic Prices ³							
Per Cent Change ¹	4.7	1.4	3.1	1.6	3.1	3.6	4.0
Labour Productivity Growth (%)	1.9	0.4	1.1	1.1	1.4	1.5	0.5
Unit Labour Cost (%)	3.7	2.8	1.2	1.0	0.9	0.9	2.0
Unemployment Rate ³	6.8	7.2	7.7	7.8	7.6	7.6	7.6
Employment (000's) ³	14,910	15,077	15,412	15,199	15,339	15,470	15,597
Per Cent Change ¹	2.6	1.1	2.2	1.1	1.8	2.7	3.4
Average Weekly Earnings ³	\$ 653.50	\$ 665.09	\$ 677.84	\$ 672.98	\$ 675.72	\$ 678.70	\$ 684.02
Per Cent Change ¹	2.3	1.8	1.9	1.8	2.1	1.7	2.0
Average Hourly Earnings	\$ 16.50	\$ 16.79	\$ 17.11	\$ 17.10	\$ 17.14	\$ 17.10	\$ 17.09
Per Cent Change ¹	2.8	1.6	1.9	3.0	2.7	0.9	0.2

¹ Per cent change from the same period of the previous year

² GDP - Gross domestic product at basic prices (1997)

³ Seasonally adjusted data

TECHNICAL NOTES

The information in this report is produced from collective agreement settlements in Canada which cover 500 or more employees in all industries. A few settlements are excluded where the basis of payment is on a piece/mileage rate basis.

The construction industry is excluded prior to 1983.

The Base Rate

The base rate is the lowest paid classification used for qualified workers in the bargaining unit. In most instances, the base rate is the rate of pay for an unskilled or semi-skilled classification of workers. However, this is not the case in contracts covering only skilled workers and professional employees.

As only the base rate in a contract is used, the resulting data on percentage change do not necessarily reflect the average wage change for all workers in the bargaining unit. For example, where an across-the-board increase is negotiated for all classifications in cents per hour (or other money terms), measurement on the base rate produces higher results than measurement on any higher rate, including the average rate. Where varying percentage or money increases are negotiated for different classifications, measurement on the base rate may produce results that are higher or lower than measurement on the average rate. Where an across-the-board increase is negotiated for all classifications in percentage terms, measurement on the base rate produces results identical to measurement on any other rate, including the average rate. It should be noted that information on the average rate for all employees in a bargaining unit is not available.

Effective Wage Increase

The effective wage increase is the increase in rates of pay including estimated **cost-of-living allowance (COLA)** payments. Estimates of the yield of COLA clauses are obtained by quantifying

the characteristics of these clauses in each agreement and applying a combination of actual Consumer Price Index (CPI) increases available to date plus a specified projected inflation rate for the remainder of the contract duration. In succeeding quarters, these estimates are revised using actual CPI values as they become available.

In the current report, an **inflation projection of 2.0 per cent** has been used when the actual rate is unknown. This figure is based on a rounded average of inflation forecasts and is intended for illustrative purposes only and does not constitute an official forecast by Human Resources Development Canada. The use of different inflation rate scenarios could result in varying settlement increases. The inflation projection used will be revised periodically to reflect prevailing economic conditions.

By including reasonable estimates of future payments under COLA clauses, the effective wage increase concept facilitates an accurate comparison of agreements with and without COLA and permits the aggregation of all agreements to yield an improved measure of wage settlements.

Public and Private Sectors

The principal unit of observation is the collective bargaining unit; however, the designation for inclusion in the public sector is by reference to characteristics of the employer with whom a bargaining unit negotiates. Reference to the employer characteristics makes the directives consistent with Statistics Canada's use of "institutional units" or "entities."

While the criteria relate to the classification of the public sector only, *the private sector is defined by exclusion.*

Public sector bargaining units negotiate wages or other working conditions with an employer who is part of, or an agent of, a government or a government business enterprise. The distinction between the two

is whether the activity engaged in is "non-commercial" (Government) or "commercial" (Government Business Enterprise).

Government (Non-Commercial)

The government component comprises all non-commercial entities controlled by governments and mainly financed out of general taxation or other public funds. These entities provide goods and/or services free or at non-market prices (not having a view to profit).

Sub-sectors of the government component are identified below:

(1) Federal Government

Collective bargaining in the federal government component is conducted under the *Public Service Staff Relations Act* (Parts 1 and 2), and the *Parliamentary Employment and Staff Relations Act*.

(2) Provincial and territorial governments

- (a) provincial and territorial government administration;
- (b) health, education and social services agencies or institutions:
 - (i) public hospitals,
 - (ii) provincial residential care facilities,
 - (iii) universities,
 - (iv) colleges, vocational and trade institutions,
 - (v) social services business enterprise,
 - (vi) provincial elementary and secondary schools.

(3) Local Government Administration

- (a) local government organizations such as: municipalities, boards, commissions;
- (b) school boards;
- (c) social services: establishments at the local level primarily engaged in providing basic domiciliary care only, such as homes for the aged, blind or senile, boarding houses for the aged, day nurseries, shelters, etc.

Government Business Enterprise (Commercial)

The commercial component of the public sector is divided into three broad sub-groupings, based on degree of governmental control, as follows:

(1) Direct Control

A commercial enterprise is directly controlled by a government if one of the following conditions is met:

- (a) a government holds more than 50 per cent of its voting equity, directly;
- (b) a government has irrevocable options or the right to acquire shares, or convertible debt or equity, exercisable at the discretion of that government.

(2) Effective Control

A commercial enterprise is effectively controlled by a government if one of the following conditions is met:

- (a) the government holds a significant voting ownership in a public enterprise, where "significant" is understood as:
 - (i) the holding is the largest block of voting equity; and
 - (ii) the holding exceeds 33.3 per cent of the voting equity; and
 - (iii) the block is larger than the combined percentage of the next two largest blocks;
- (b) the commercial enterprise declares that it is effectively controlled by a government;
- (c) there exists a method or variety of methods (e.g. significant voting ownership of the enterprise, technological agreements, supply controls or contracts, management contracts, interlocking directorships, etc.)

(3) Indirect Control

A business enterprise is indirectly controlled by a government if that government directly or effectively controls a government business enterprise, which in turn directly or effectively controls that enterprise.

Selected Provisions in Collective Agreements

B Marie-Ève Bédard

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Labour Program, Human Resources Development Canada

Interest Arbitration and Arbitration Rights in Canada

Introduction

Arbitration—the final phase in the grievance settlement procedure and, at times, a last resort in the collective bargaining process—can often provide an effective solution to an impasse. This article sheds some light, using examples, on the different types of arbitration related to interest and rights disputes.

Definition of Arbitration

Arbitration is defined as a way of settling labour disputes involving the intervention of a third party, neutral and distinct from the two contracting parties

(Hébert 1992). Different from mediation and conciliation, which are processes aiming to reconcile the parties, arbitration ends with a quasi-judicial ruling made by an arbitrator or an arbitration board.

Types of Arbitration

Arbitration can be used to settle two types of conflicts: *interest disputes*, which occur during the bargaining or renewal of a collective agreement, and *rights disputes*, which are relative to the application and interpretation of a collective agreement in effect.

Main Types of Conflicts

	<u>Dispute</u>	<u>Grievance</u>	<u>Disagreement</u>
Objective	Bargaining (for the entire unit)	Agreement (applying to one or several employees)	No reference point
Time	During the bargaining process	During the life of the collective agreement	During the life of the collective agreement
Nature	Interest dispute	Rights dispute	Interest dispute

Source: Hébert, G., 1992. *Traité de négociation collective*. Éditions Gaétan Morin.

Interest Arbitration

Interest arbitration is used to resolve disputes that occur during the bargaining process. In such cases, the employer and the union present, before an arbitrator or arbitration board, the elements causing a divergence in their respective interests. Both parties try to establish the standards that will govern their interactions for the duration of the next collective agreement (Hébert et al. 2003).

Three types of interest arbitration are integral to the Canadian labour landscape: voluntary arbitration, compulsory arbitration and the settlement of first agreements.

Voluntary Arbitration

When two parties jointly and voluntarily request the appointment of an arbitrator in order to resolve a dispute, that arbitrator makes the final decision regarding the dispute. The arbitrator may or may not take the parties' arguments into account. The final decision is equal to a signed collective agreement between the parties. As such, it can be modified by common accord as if it were a collective agreement (Hébert 1992). In cases where an arbitrator's decision is not respected by one of the two parties, the other party can take legal action.

(Labour Relations Code, Alberta)

Voluntary Interest Arbitration Agreement re Voluntary Arbitration Board

93(1) *The parties to a dispute may agree in writing to refer the matters in dispute to a one-member or 3-member voluntary arbitration board, whose decision will be binding.*

*(2) The parties shall notify the Minister of an agreement under subsection (1).
1988 cL-1.2 s91*

Voluntary Arbitration Board

94 *If the parties who have entered into an agreement under section 93 do not appoint a one-member or 3-member voluntary arbitration board, either party may notify the Minister, who shall serve notice on the parties to the dispute directing them to appoint a voluntary arbitration board in accordance with Division 20.
1988 cL-1.2 s93*

Powers of Voluntary Arbitration Board

95 (1) *If a voluntary arbitration board is unable to effect a settlement within 20 days after a statement of the dispute is sent to the member of a one-member board or the chair of a 3-member board or any longer period that may be agreed on between the parties or fixed by the Minister, the voluntary arbitration board shall make an award dealing with all matters in dispute.
(2) The award of a voluntary arbitration board is binding on the parties to the dispute and shall be included in the terms of a collective agreement.
1988 cL-1.2 s93*

Compulsory Arbitration

For certain professional groups who provide essential services, such as municipal police officers or firefighters, the right to strike is prohibited in order to ensure the ongoing safety of citizens. Because this right is prohibited, legislation may specify compulsory and binding arbitration when the parties fail to reach an agreement.

(*Labour Relations Code*, Alberta)

***Compulsory Interest Arbitration
Application and Prohibition Against
Strike and Lockout***

96 (1) *This Division applies to the following:*

(a) firefighters and, to the extent that they bargain collectively with firefighters, municipalities and Metis settlements;

(b) employers who operate approved hospitals as defined in the Hospitals Act, and all the employees of those employers.

(2) *No employees, trade union, employer or employers' organization to which this Division applies shall strike, lock out, cause a strike or lockout or threaten to cause a strike or lockout.*

(3) *This Division applies notwithstanding any other provision of this Act.*

1988 cL-1.2 s94; 1988 c22 s16

Settlement of First Agreements

This practice consists in imposing an arbitration process when two parties are negotiating their first collective agreement and the Minister of Labour is convinced that it will be impossible for the parties to reach an agreement. At the federal level and in six provinces (Newfoundland and Labrador, Quebec, Ontario, Manitoba, Saskatchewan, British Columbia),¹ the Minister of Labour can, upon request by one of the parties, refer the dispute to a labour relations board or, in the case of Quebec, an administrative body of the Labour Department, who will, after obtaining the point of view of the parties, determine the terms and conditions of the first collective agreement binding the parties. Therefore, the arbitration process ends with the terms of the first agreement determined by the appointed authorities. However, with mutual consent both parties can, at any time, modify the provisions of the collective agreement.

Generally, a small percentage of first collective agreements require arbitration. For example, between 1979 and 2001 in Quebec, approximately 11 per cent of first collective agreements were settled by arbitration (Marotte and Paré 2002).

(*Canadian Labour Code*)

***Settlement of First Agreement
Minister May Refer Dispute to Board***

80. (1) *Where an employer or a bargaining agent is required, by notice given under section 48, to commence collective bargaining for the purpose of entering into the first collective agreement between the parties with respect to the bargaining unit for which the bargaining agent has been certified and the requirements of paragraphs 89(1)(a) to (d) have otherwise been met, the Minister may, if the Minister considers it necessary or advisable, at any time thereafter direct the Board to inquire into the dispute and, if the Board considers it advisable, to settle the terms and conditions of the first collective agreement between the parties.*

Board May Settle Terms and Conditions

(2) *The Board shall proceed as directed by the Minister under subsection (1) and, if the Board settles the terms and conditions of a first collective agreement referred to in that subsection, those terms and conditions shall constitute the collective agreement between the parties and shall be binding on them and on the employees in the bargaining unit, except to the extent that such terms and conditions are subsequently amended by the parties by agreement in writing.*

Matters the Board May Consider

(3) *In settling the terms and conditions of a first collective agreement under this section,*

¹ Prince Edward Island will join this group as soon as the legislative provisions of the 1994 acts come into effect.

the Board shall give the parties an opportunity to present evidence and make representations and the Board may take into account

- a) the extent to which the parties have, or have not, bargained in good faith in an attempt to enter into the first collective agreement between them;*
- b) the terms and conditions of employment, if any, negotiated through collective bargaining for employees performing the same or similar functions in the same or similar circumstances as the employees in the bargaining unit; and*
- c) such other matters as the Board considers will assist it in arriving at terms and conditions that are fair and reasonable in the circumstances.*

Duration of Agreement

(4) *Where the terms and conditions of a first collective agreement are settled by the Board under this section, the agreement is effective for a period of two years after the date on which the Board settles the terms and conditions of the collective agreement. R.S., 1985, c. L-2, s. 80; 1998, c. 26, s. 34*

Rights Arbitration

Rights arbitration is used when a grievance concerning a clause in the collective agreement in effect has not been settled during the internal grievance settlement procedure. Rights arbitration is divided into two distinct categories: regular arbitration and expedited arbitration.

Regular Arbitration

Regular arbitration consists in presenting the dispute before an impartial third party according to generally observed or recognized regulations and procedures (Bernatchez 2002). The arbitrator or the arbitration board makes a ruling regarding the issue raised by the parties.

(Canadian Media Guild and Canadian Broadcasting Corporation, Administrative Branch, 0397007—1999-04-06 to 2001-12-21)

Regular Arbitration

If a matter is not resolved through the grievance process and the matter is submitted to regular arbitration, the following process shall be followed:

The parties shall jointly select an arbitrator within fifteen (15) days of the national grievance meeting. If the parties are unable to agree on an Arbitrator, the parties shall request the Minister of Labour to appoint an Arbitrator.

A joint statement or separate statements by the Corporation and the Union, describing the facts of the grievance and the issues to be decided by the Arbitrator shall be submitted to the Arbitrator within ten (10) days of his or her acknowledgement to hear the grievance. A hearing shall be held at a time and place to be determined by the Arbitrator, so that the parties may have an opportunity to present further evidence and to make necessary representations. The Arbitrator shall give written reasons for his or her decision within three (3) months of the completion of the hearing, which shall be final and binding on all parties.

In arriving at a decision, the Arbitrator shall be limited to the consideration of the issue as outlined in the statement or statements referred to previously and shall render a decision according to the terms and provisions of this Agreement, after having held a hearing at a time and place to be determined by the Arbitrator so the parties have an opportunity to present further evidence and to make necessary representations. The Arbitrator shall not in any way amend, modify, extend or change any of the provisions of this Agreement.

Expedited Arbitration

This form of arbitration is often accompanied by a mediation procedure. The disagreement is presented to one arbitrator who will give an appropriate decision following brief hearings and under short deadlines in each phase of the procedure. The parties therefore agree to use a grievance settlement procedure not subject to judicial review, and in which the deadlines are shortened and the costs reduced.

(Treasury Board of Canada and Union of Canadian Correctional Officers, 0932105—2001-04-02 to 2002-05-31)

Expedited Adjudication

The parties agree that any adjudicable grievance may be referred to the following expedited adjudication process:

- a) At the request of either party, a grievance that has been referred to adjudication may be dealt with through Expedited Adjudication with the consent of both parties.*
- b) When the parties agree that a particular grievance will proceed through Expedited Adjudication, the Bargaining Agent will submit to the PSSRB the consent form signed by the grievor or the Bargaining Agent.*
- c) The parties may proceed with or without an Agreed Statement of Facts. When the parties arrive at an Agreed Statement of Facts it will be submitted to the PSSRB or to the Adjudicator at the hearing.*
- d) No witnesses will testify.*
- e) The Adjudicator will be appointed by the PSSRB from among its members who have had at least three years experience as a member of the Board.*
- f) Each Expedited Adjudication session will take place in Ottawa, unless the parties and the PSSRB otherwise agree. The cases will be scheduled jointly by the parties and the PSSRB, and will appear on the PSSRB schedule.*

g) The Adjudicator will make an oral determination at the hearing, which will be recorded and initialled by the representatives of the parties. This will be confirmed in a written determination to be issued by the Adjudicator within five days of the hearing. The parties may, at the request of the Adjudicator, vary the above conditions in a particular case.

h) The Adjudicator's determination will be final and binding on all the parties, but will not constitute a precedent. The parties agree not to refer the determination to the Federal Court

(Canada Post Corporation and Association of Postal Officials of Canada, 0405908—2001-04-01 to 2005-03-31)

Expedited Arbitration

16.9 As an alternative to the formal arbitration process set out in the foregoing paragraphs, a grievance may be referred to a previously agreed-upon person who shall hear the grievance and who shall at the conclusion of the hearing, give a decision immediately. Such decisions may not be used to alter, modify or amend any part of this Agreement, and are made without precedent or prejudice to similar or like cases. Such a decision shall be final and binding upon both parties and no further action may be taken on that grievance by any means whatsoever.

There are currently 207 collective agreements in Canada that contain an expedited arbitration clause, covering 900,960 employees. Among these 207 agreements, 57.5 per cent are in the public sector (737,080 employees) and 42.5 per cent are in the private sector (163,880 employees).

Approximately 70 per cent of these agreements can be found in three sectors: 35.8 percent (433,540 employees) are in the education, health and social

services industries; 19.3 per cent are in manufacturing industries and 13.0 per cent can be found in the transportation industry.

It should be noted, however, that it is possible for two contracting parties to use expedited arbitration without any mention of the term or procedure occurring in their collective agreement. In certain administrations, the *labour code* provides for the optional use of this procedure. For example, the *British Columbia labour code* contains a provision on expedited arbitration, as well as a service to guide the parties in this procedure. This situation could explain in part the fact that the largest proportion of ongoing collective agreements (27.1 per cent) containing an expedited arbitration clause can be found in this province.

The provinces of Ontario and Quebec are next with 23.7 per cent and 19.3 per cent, respectively, of the 207 Canadian agreements containing an expedited arbitration clause. In Quebec, the parties can call upon the services of an expedited arbitration board for a quicker settlement of certain grievances.

Role of the Arbitrator or Arbitration Board

The role of the arbitrator or arbitration board essentially consists in making a ruling on the issue presented by the two parties by delivering a binding arbitration award.

(L'Union des artistes and ARTV Inc.,
1289301—2002-02-28 to 2003-03-01)

9.2.5 In the performance of his or her duties, the arbitrator can:

- a) interpret an act or a regulation insofar as is necessary to do so to render a decision regarding a grievance;*
- b) maintain or reject a grievance entirely or in part and set the compensation deemed equitable for the loss incurred;*
- c) set the amount owed under a sentence rendered;*
- d) order the payment of interest at a rate set by the regulation adopted under article 28 of An Act respecting the ministère du Revenu (R.S.Q., s. M-31), starting at the time when the grievance is filed;*
- e) make any ruling useful to maintaining the rights of the parties [Translation].*

In every province except Quebec, disputing parties have recourse to a three-member arbitration board. In 1983, Quebec removed this option from the *Quebec Labour Code*. Before then, each party appointed a representative to the arbitration board and then these "partial" members chose a third member who acted as president (Hébert 1992). Since 1983, the *Quebec Labour Code* makes it mandatory to present disputes to a single arbitrator. However, the arbitration board is still a *de facto* option because the arbitrator chosen to render a decision regarding a dispute must do so with the assistance of two assessors who take part in the debate, even if they do not take part in the final decision.

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- (0405908) Canada Post Corporation and Association of Postal Officials of Canada
- (0932105) Treasury Board and Union of Canadian Correctional Officers
- (1289301) L'Union des artistes and ARTV Inc.

* These collective agreements are available in their unabridged form in *Negotech*, a searchable labour relations database, accessible at: <http://hrdc.gc.ca/labour/nego/>.

WORK STOPPAGES

Workplace Information Directorate
Labour Program, Human Resources Development Canada

Primary Industries
4,000 Work Stoppages

There were 13 work stoppages involving 500 and more workers during the fourth quarter of 2002 in Canada. Three major work stoppages accounted for 74 per cent of the person-days not worked. The strike involving Vidéotron Ltd. and the Canadian Public Employees Union engaged 136,400 person-days not worked for which represents 51 per cent. In Quebec, the work stoppage of 500 employees of La Fonderie Horne Noranda represented 32,500

person-days not worked and accounted approximately 12 per cent of the total of person-days not worked in the last quarter. Finally, British Columbia Terminal Elevator Operator's Association Ltd. and the British Columbia Government and Service Employees' Union involving 500 employees accounted for 26 000 person-days not worked. Those two strikes represented 22 per cent of the total of the person-days not worked.

Table 1

Major Work Stoppages by Jurisdiction Fourth Quarter 2002

Jurisdiction	Stoppages	Workers Involved	Person-Days Not Worked
Newfoundland and Labrador	1	930	8,630
Prince Edward Island	-	-	-
Nova Scotia	-	-	-
New Brunswick	1	957	2,870
Quebec	4	2,750	50,110
Ontario	1	800	8,800
Manitoba	1	1,200	7,710
Saskatchewan	1	600	7,290
Alberta	-	-	-
British Columbia	-	-	-
Territories	-	-	-
Multiprovince	-	-	-
Total Provinces	9	7,237	85,410
Canada Labour Code-Part I	4	5,800	179,420
Federal Administration	-	-	-
Federal Total	4	5,800	179,420
Total	13	13,037	264,830

Source: Workplace Information Directorate

Table 2

Major Work Stoppages by Industry Fourth Quarter 2002

Industries	Stoppages	Workers Involved	Person-Days Not Worked
Primary Industries	-	-	-
Utilities	-	-	-
Construction	-	-	-
Manufacturing	1	500	32,500
Wholesale and Retail Trade	1	850	11,900
Transportation	2	2,700	35,820
Information and Culture	2	3,400	144,110
Finance, Real Estate and Management Services	1	900	7,200
Education, Health and Social Services	3	2,330	24,720
Entertainment and Hospitality	1	600	5,140
Public Administration	2	1,757	3,440
Various Industries	-	-	-
Total	13	13,037	264,830

Source: Workplace Information Directorate

Table 3

**All Work Stoppages by Jurisdiction
 Third Quarter 2002**

Cumulative to September 30, 2002

Jurisdiction	Stoppages	Workers Involved	Person-Days Not Worked
Newfoundland and Labrador	1	13	20
Prince Edward Island	1	5	474
Nova Scotia	7	1,433	17,615
New Brunswick	5	1,092	29,220
Quebec	81	19,964	382,870
Ontario	86	62,636	1,406,630
Manitoba	5	2,029	11,554
Saskatchewan	6	3,122	25,469
Alberta	3	21,008	211,040
British Columbia	17	37,240	68,075
Territories	-	-	-
Multiprovince	-	-	-
Total Provinces	212	148,542	2,152,967
Canada Labour Code-Part I	19	5,756	409,980
Federal Administration	-	-	-
Federal Total	19	5,756	409,980
Total	231	154,298	2,562,947

Source: Workplace Information Directorate

Table 4

**All Work Stoppages by Industry
 Third Quarter 2002**

Cumulative to September 30, 2002

Industries	Stoppages	Workers Involved	Person-Days Not Worked
Primary Industries	3	587	58,200
Utilities	2	73	2,330
Construction	5	269	7,680
Manufacturing	70	18,632	411,795
Wholesale and Retail Trade	30	8,342	98,055
Transportation	20	2,005	61,320
Information and Culture	12	5,367	314,960
Finance, Real Estate and Management Services	10	1,793	68,350
Education, Health and Social Services	26	61,068	316,326
Entertainment and Hospitality	36	3,356	26,301
Public Administration	17	52,806	1,197,630
Various Industries	-	-	-
Total	231	154,298	2,562,947

Source: Workplace Information Directorate

*A weekly listing of major work stoppages in Canada and a full chronological perspective
 are available on the Workplace Information Directorate Web site at:*

<http://labour-travail.hrdc-drhc.gc.ca/doc/wid-dimt/eng>

Table 5

All Work Stoppages—A Chronological Perspective

Period	Number Beginning Month or Year	In Existence During Year or Month*			% of Estimated Working Time
		Total Number	Workers Involved	Person-days Not Worked	
1992	353	404	149,940	2,110,180	0.07
1993	323	381	101,784	1,516,640	0.05
1994	312	374	80,856	1,606,580	0.06
1995	282	328	149,159	1,583,070	0.05
1996	297	330	281,438	3,351,240	0.11
1997	229	284	257,664	3,610,210	0.12
1998	341	381	244,402	2,443,870	0.08
1999	358	413	158,415	2,442,580	0.08
2000	321	379	143,456	1,656,790	0.05
2001	324	380	220,446	2,203,785	0.07
2001					
September	16	62	23,055	110,790	0.04
October	25	66	7,746	81,000	0.03
November	15	59	12,280	74,890	0.03
December	22	60	8,901	99,970	0.04
2002					
January	20	63	44,048	124,670	0.05
February	15	56	25,214	256,020	0.09
March	14	56	38,666	440,046	0.16
April	19	55	45,067	770,424	0.28
May	29	78	46,150	244,564	0.09
June	17	67	14,088	142,024	0.05
July	35	82	30,510	259,351	0.09
August	20	62	11,650	158,091	0.05
September	19	66	14,290	167,757	0.06

* Refers to work stoppages which began during the year or month as well as those carried over from the previous year or month.

Source: Workplace Information Directorate

TECHNICAL NOTES

Data on work stoppages collected by the Workplace Information Directorate of the Labour Program of Human Resources Development Canada covers strikes and lockouts which amount to 10 or more person-days lost.

A strike is a concerted work stoppage by a group of employees which is done in order to bring about a change in an employer's position, and it occurs during the negotiating process. A legal strike is one that respects all the conditions mandated by law, most notably that the strike is taking place during negotiations. A lockout occurs when work is suspended by the employer or a group of employers in order to pressure employees to change their position, and a lockout must also occur during the negotiating process.

Developments leading to work stoppages are sometimes too complex to make it practicable to distinguish between strikes on the one hand and lockouts on the other.

The major characteristics of work stoppages on which information is gathered are:

Employer—Firm or firms employing the workers reported on strike or locked out.

Location—Location of the plant or premises at which the work stoppage occurred.

Industry—Industry of employer according to the North American Industry Classification System (1997).

Union—The workers' organization(s) directly involved or concerned in the dispute that led to work stoppage.

Workers Involved—The total number, or approximate total number, of workers reported on strike or

locked out, whether or not they all belonged to the union. Where the number of workers involved varied in the course of the stoppage, the maximum number is used in tabulating annual or other totals. (Where a stoppage commenced in a previous year, the maximum number during the whole stoppage is the number used). Monthly totals are similarly based on the highest figures but allowance is made for changes reported in stoppages extending over two or more months. The total number of workers shown may include the same workers more than once if they are involved in more than one work stoppage during the year (or other reference period). Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included in the data on workers involved.

Starting Date—The day on which the work stoppage began.

Termination Date—The termination date is the day on which work was resumed. Some work stoppages are never formally settled, and this presents statistical difficulties. In such a case, the stoppage is usually considered terminated for statistical purposes, at the date by which it was established that two-thirds or more of the workers involved had either returned to work, or had found work with other employers; or the date by which it was reported that the operations affected by the work stoppage would not be resumed.

Duration—The duration of each stoppage is calculated in terms of working days, including the starting date and all subsequent normal working days up to the termination date. The days counted as working days are those on which the establishment involved would normally be in operation (five days per week).

Duration in Person-Days—Duration in working days multiplied by the number of workers involved. For work stoppages involving establishments in which

the number of weekly working days (see Duration above) exceeds the work week of individual employees, the duration in person-days is adjusted by the appropriate ratio. The data on duration of work stoppages in person-days are provided to facilitate comparisons of work stoppages in terms of a common denominator; they are not intended as a measure of the loss of production time to the economy. The expression "Time loss" is occasionally used instead of "duration in person-days." The term most commonly used is person-days not worked due to the duration in person-days of all work stoppages in a year is also shown as a percentage of estimated working time based on estimates of the number of non-agricultural paid workers in Canada obtained from the Labour Force Survey of Statistics Canada.

Jurisdiction—Statistics on work stoppages are also classified according to jurisdiction. This is done on the basis of the government and those businesses covered by Part 1 of the *Canadian Labour Code* whose industrial relations statistics are applicable to the establishment involved in the dispute. (The tabulation of statistics on work stoppages by jurisdiction corresponds to a tabulation by province, except where the Federal jurisdiction is involved.)

The data reflect all work stoppages that have come to the notice of Workplace Information Directorate, and meet the criteria defined above, e.g. minimum person-days. The methods used to secure this information are believed to be adequate to preclude the possibility of major omissions.

Source: Human Resources Development Canada, *Workplace Gazette*, Workplace Information Directorate.

Innovative Workplace Practices

by Bruce Aldridge
Workplace Information Directorate
Labour Program, Human Resources Development Canada

This overview of workplace innovations is based on a review of 72 collective agreement settlements negotiated during the fourth quarter of 2002. Of these, slightly over one-half, 40 settlements, contained provisions considered to be innovative or of particular interest.

Duration

Of 72 settlements reviewed during the quarter, almost one-half (37 collective agreements) had a duration of 36 months. Five collective agreements had terms of 12 months, while 14 had durations ranging from 24 to 28 months. A further seven settlements had a duration of between 42 and 48 months. The remaining nine had durations of over 50 months. Of these nine agreements, NorskeCanada Limited, various locations in British Columbia, and Communications, Energy and Paperworkers Union of Canada settled seven 60-month renewal agreements at different locations in British Columbia. Another 60-month agreement was settled between Cardinal River Coals Ltd. in Luscar, Alberta, and United Mine Workers of America in Luscar, Alberta.

Compensation

NorskeCanada Limited, various locations in British Columbia, and Communications, Energy and Paperworkers Union of Canada have introduced a **newsprint price trigger bonus**. The employer will provide to the local unions an amount of \$500 for each employee per calendar quarter that the RISI Westcoast Benchmark newsprint price per metric tonne averages over \$600 US for that quarter. The bonus will be used to establish a fund to finance pension bridge benefits for employees aged 60 to age 61. The first \$4.1 million will be used for this purpose and any proceeds beyond this amount will be distributed to the local unions who will then determine how these additional funds will be utilized.

A **nickel price bonus** between INCO Limited in Thompson, Manitoba, and United Steelworkers of America states that for any quarter in which the company has net earnings and if the average realized price of nickel is \$2.25 US per pound, each employee will

receive a lump-sum payment equal to 10¢ per hour worked in that quarter. The multiplier used for calculations will be increased by 1¢ for each 1¢ the nickel price exceeds \$2.25 US.

The agreement between Universal Compression Inc., Calgary, Alberta, and International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers has a **performance based incentive program** which provides employees a minimum of 2.0 per cent of earnings if quarterly financial and safety performance measurements are achieved.

Hydro One Inc., province-wide, Ontario and Society of Energy Professionals have a **performance bonus** based on corporate and line of business results with a minimum performance payout of 1.0 per cent of base payroll and a maximum of 4.0 per cent.

Northwestel Inc., territory-wide, Yukon, Northwest Territories and Nunavut, and Northern British Columbia, and International Brotherhood of Electrical Workers have negotiated a **team incentive bonus**. The unpensionable bonus is

based on 50 per cent of profits and 50 per cent on service indicators including how quickly customers are served and answer time. There is a guaranteed 1.5 per cent in the first year and a possible 1.5 per cent in each of the second and third years of the contract.

A **market analysis survey** of all trade classifications has been introduced between University of Alberta, Edmonton, Alberta, and University of Alberta Non-Academic Staff Association. Once the market survey has been finalized, discussions will continue as to the appropriate market supplements to be applied to identified under-compensated positions. Nova Scotia Association of Health Organizations, province-wide, and CAW-Canada have also negotiated a **market-based adjustment** provision. Where the employer determines that, due to labour market shortages, or a recruitment and/or retention problem exists with respect to a bargaining unit classification or classifications, the employer will provide the union with information and proposed wage supplements and time periods. The union will then have the opportunity to make representations and provide additional information. After this consultation, the employer may implement a special market-based adjustment for the affected classifications; pro-rated for regular part-time,

temporary and job-sharing employees. These adjustments will be reviewed annually for possible increases. The Saskatchewan Association of Health Organizations, province-wide and Health Sciences Association of Saskatchewan have implemented a provincial **market supplement program**. The program will address specific pay-related skill shortages through the use of market supplements to attract and/or retain qualified employees. A supplement will be implemented only when it is necessary to enhance the ability of employers to retain and/or recruit employees with the required skills to deliver appropriate health services.

Wage adjustments in the form of **parity clauses** have been negotiated for the last two years of the ambulance technician's contract with the Government of Quebec, province-wide, and Fédération de la santé et des services sociaux. The adjustments will be identical to those negotiated within the framework for the health and social services sector of the province.

A **deferred salary** leave has been negotiated with the Canadian Broadcasting Corporation, English Services Division, Canada-wide and Communication Workers of America. Employees can self-finance their own study leave, sabbaticals or any other type of leave by deferring a portion of wages for at least two years and not more than five. The deferred wages will then be paid during the leave period extending between 6 and 12 consecutive months.

Working Conditions

"Reserved Jobs" positions for **permanently disabled employees** have been negotiated between INCO Limited in Thompson, Manitoba and United Steelworkers of America. Certain positions will be identified and forwarded to the joint rehabilitation committee. Employees working in these classifications identified as reserved will not be removed; however, when the job becomes vacant, permanently disabled employees will have the opportunity to move into the job. These employees will be placed in accordance with seniority and their regular job will be protected as a temporary vacancy.

The Canadian Broadcasting Corporation, English Services Division, Canada-wide and Communications Workers of America have introduced **telework** whereby an employee can work at home subject to the conditions that the employer provides the equipment and services the employee needs; employee must have sufficient work space at home; and the employer must pay the employee a monthly allowance to offset the expenses related to the employee's working at home.

The University of Guelph in Guelph, Ontario and Canadian Union of Public Employees have initiated a **temporary reduction workload** provision. Providing that operational requirements are met, a regular full-time employee may be granted a temporary reduction in both workload and compensation to a maximum of 50 per cent. The employee would continue cost-sharing benefits and maintain status within the bargaining unit. Upon completion of the reduced period, the employee would return to a position the same as or equivalent to that which preceded the period. A **reduced workload leading to retirement** has been introduced by the University of Alberta, Edmonton, Alberta and University of Alberta Non-Academic Staff Association. This program would allow an employee to either work for 1/2 time for two years before retirement, work 2/3 time for three years, or work 3/4 time for four years. During the period chosen, the employee would receive a reduced salary; however, pension contributions and benefits would continue as if the employee was working in a full-time position.

Job Security

In the case of **plant closure**, St. Mary's Cement Company, St. Mary's, Ontario and United Steelworkers of America have introduced a severance pay whereby affected employees receive 5.0 per cent of monthly earnings multiplied by the number of years of service. McGregor Hosiery Mills, Toronto, Ontario and CAW-Canada have also negotiated a provision in the event of closure which states that the employer will pay 50 per cent of the cost of an adjustment committee to assist employees during a maximum of 12 weeks with resumes, job applications and opportunities. St. Mary's Cement Company also has a **lay off security plan** which provides employees additional funds in the form of a savings plan. The employee could receive a maximum of \$200 per week in the event of lay off. The employer will contribute \$1,000 per year to each employee's account.

A **transitional support program** concerning redundant positions has been established between the Nova Scotia Association of Health Organizations, province-wide, and CAW-Canada. Where the number of redundant positions exceeds the number of vacancies, the employer will invite the same number of voluntary severances as excess redundant positions. Voluntary severances candidates will receive four weeks pay per year of service for a minimum of four weeks to a maximum of 52 weeks plus a transition allowance of up to \$2,500 to relocate to employment beyond 50 kilometres or to use as retraining. An employee receiving a layoff notice may also choose this voluntary severance option.

The Canadian Pacific Hotels Corporation, Empress Hotel, Victoria, British Columbia, and CAW-Canada have established a specification to **eliminate all part-time status** and classify all bargaining unit members as full-time employees.

Training

The University of Alberta, in Edmonton, Alberta and University of Alberta Non-Academic Staff Association have negotiated a human resource development program which allows employees to **access learning opportunities**. The employees may improve their performance in their current positions, develop future job-related skills, or access non-credit University of Alberta courses that will enhance employee wellness. A fund of \$400,000 annually will be allocated for this purpose.

Paid training leave related to the **understanding and application of the collective agreement** has been initiated by the Canadian Broadcasting Corporation, English Services Division and Communication Workers of America. The training will cover topics such as the functioning of joint committees, conflict resolution, grievance settlement and arbitration.

Sécur inc., province-wide, Quebec and Canadian Union of Public Employees have negotiated a provision whereby the employer will pay up to \$250

for **English language courses** for the five most senior employees applying to the position of Quebec City dispatcher.

Labour-Management Committees

During this fourth quarter, 16 of the 40 agreements with innovative practices contained provisions for establishing committees dealing with a wide variety of concerns.

A joint committee with the Regional Health Authorities of Manitoba, province-wide, and Canadian Union of Public Employees has established a **general wage standardization fund**. In order to rectify identified salary inequities, amounts have been allocated as follows: May 1, 2003, \$2,590,000; May 1, 2004 and 2005, \$1,230,000; and May 1, 2006 and 2007, \$1,800,000. Effective May 1, 2003, there will be a minimum standardization increase to all hourly rates of 0.6 per cent. Further standardization adjustments will be effective at mutually agreed dates as decided by the joint wage standardization committee.

An **employment opportunity** committee has been established between NorskeCanada Limited, various locations, British Columbia and Communications, Energy and Paperworkers Union of Canada. Recognizing that the stable employment in the pulp and

paper industry is based on economically viable operations, a high level of labour productivity and quality production, the parties will examine ways to enhance employment opportunities through new work arrangements, including reduced overtime and working time alternatives.

A number of other committees were included in agreements to discuss such items as pension plan, occupational health and safety, health and welfare benefits, job evaluation and workplace issues such as ergonomics and career development.

Innovative Workplace Practices

Previously published articles and case studies from past issues of the Workplace Gazette, are available on the Workplace Information Directorate Web site at

<http://labour.hrdc-drhc.gc.ca/>

Managing by

Geneviève Dompierre,

Nathalie Langis,

Stéphanie Massé,

and Sylvie St-Onge

École Des Hautes Études commerciales

Work Teams

at

Aluminerie Luralco inc.

Established in Deschambault, Quebec, since 1992, Aluminerie Luralco inc. is a subsidiary of Alcoa, an American multinational. With over 550 permanent, non-unionized employees, this plant produces T-ingots sold to various industries mainly located in the United States. Luralco faces strong competitive pressures. To stand out from other aluminum plants, the company uses its human resources as a competitive advantage. To remain a leader in its field, the Luralco team pursues its mission to "use its resources in the best way possible to produce quality aluminum, safely, at the best cost, on time, while being a part of the community and constantly satisfying its customers." Seven principles form the basis of its management culture:

- maintaining high standards for health, safety and environmental protection;
- adhering to social policies, from all standpoints;
- maintaining good relations through open communications and team building;
- creating an organization where each person's role and expertise are important;
- encouraging ongoing training to promote accountability;
- aiming for excellence through process control and the reduction of variations;
- seeking constant improvement in every function in order to better meet customer expectations.

These principles are based on the eight values advocated by Luralco: accountability; teamwork; initiative and autonomy; communication; creativity and ingenuity; quality and effectiveness; flexibility and adaptability; as well as a sense of belonging.

*Aluminerie Luralco inc.
was the recipient of an IRIS
award from the Ordre des
conseillers en ressources
humaines et en relations
industrielles agréés
[Order of certified human
resource and industrial
relations professionals]
of Quebec in 2000 for
the quality of its
organizational changes.*

Managing by Work Teams

Aluminerie Luralco inc. advocates and supports employee accountability via several different human resource management processes:

- An employee *selection process* consistent with organizational values. Selected candidates must be accountable and must be able to effectively operate as part of a team, take initiatives (autonomy) and adapt to different situations (flexibility). Moreover, candidates must commit to other values such as quality, effectiveness, creativity (ingenuity) and open communications, since they influence the success of the organization.

— The authors wish to thank all employees who participated in this study. Filed with the Centre de cas de l'École des Hautes Études commerciales, Montréal, Quebec.

- *Direct communication* with employees supported by an open-door policy and weekly and monthly meetings.
- *Accounting for employee viewpoints* through various means such as direct access, dispute resolution processes, opinion polls, recognition of performance, team logs, etc.
- *Employee development* geared toward continuing professional training aimed at meeting both employee and organizational needs.
- *Employee participation* through development committees where employees from all levels and divisions of the company work together to determine how to achieve their objectives.

The company has only three hierarchical levels: (1) versatile work teams, (2) section leaders, and (3) the management team. The work teams are at the core of the organization of work. Each member of a work team, consisting of a section leader and approximately 15 operators, takes on a management responsibility for a 15- to 24-month mandate. The team members' roles and responsibilities are varied and include daily work organization, managing overtime, health and safety prevention, training, performance appraisal, vacation scheduling, budgeting and remuneration (see list in the right column). In summary, Luralco relies on multitasking to promote employee accountability. Thus, each team member is able to perform every task associated with his or her department. Employees are also encouraged to switch to a different sector after a certain period of time in order to add some variety to their work.

Work committees and problem-solving teams are regularly formed to respond to specific or pressing concerns. In addition, interdepartmental committees deal with issues pertaining to the whole plant such as health and safety management, quality, the environment and wage scales.

Roles and Responsibilities of Team Members at Aluminerie Luralco inc.

- budget
- committee
- communication
- environment
- graphics—PLUS Security Committee
- hours
- maintenance
- meetings
- payroll
- performance appraisal
- practices
- procurement
- production
- quality
- security
- training
- vacation

Employees thus spend an average of 20 per cent of their time on activities other than aluminium production per se.

In summary, decisions at Luralco are made collectively by the employees, and committees constitute the main element in a decision-making process which is decentralized. Employees can express their needs and requests at any time through the committees and make recommendations to management. Although the teams have no decision-making power over the production objectives, team members may influence the manner in which those objectives are achieved as well as the organization and division of labour. Moreover, each work team is responsible for establishing a plan of action to achieve the team's objectives and to ensure follow-up. Work teams can also set goals that are not related to production such as rates of injury, absenteeism, overtime, etc. In short, the teams are granted a great deal of autonomy and section leaders act as coordinators or coaches.

Information Management

The role of management is to support and facilitate, as pointed out by the plant manager: "My role consists of collecting as much information as I can from within the plant. It's mainly about communication and support, and being a good communicator begins with being a good listener." Every month, the plant manager organizes five different meetings with the work teams so that every employee has a chance to attend, regardless of scheduling. During the meeting, employees are informed of strategies and results, as well as any changes, and are encouraged to express their opinions. Management favours direct communication with employees based on an open-door policy. Each member of the organization has permanent, direct access to a member of the management team. There is also a communications officer in the human resources department whose mandate is to coordinate the exchange of information, both horizontal and vertical, between all levels in the organization.

Several other measures facilitate the two-way sharing of information. First, official and unofficial meetings are used quite liberally. At every

Every two years, Lauralco conducts an opinion poll to gauge employee satisfaction and solicit opinions on different aspects of the work environment.

ing with section leaders and the director of their sector to address particular issues such as workplace health and safety, production quality and professional development opportunities.

In addition to meetings, memoranda are regularly sent to employees, a company newsletter is published six times a year, and bulletin boards are posted in all sectors. There is also an intranet site where employees will

find a variety of information on the company, including a reminder of the annual objectives, employment benefits and follow-up information on various projects. Self-serve computers are available at various locations in the plant to enable employees to use the intranet and access their electronic mail.

Every two years, Lauralco conducts an opinion poll to gauge employee satisfaction and solicit opinions on different aspects of the work environment. The results are sent to employees, who are then required to participate in the development of action plans aimed at correcting problem areas or implementing improvements suggested during the poll.

Management favours direct communication with employees based on an open-door policy.

change of shift, the teams going off duty spend 10 minutes informing those coming on duty of any production problems. Each team also keeps a log that allows other teams to keep track of what has been done during earlier shifts. Each team holds an official weekly meeting to discuss its various mandates and responsibilities as well as to make decisions regarding the organization of work. The teams also attend a monthly meet-

Employees may also express their dissatisfaction or dissenting opinion through a dispute resolution process, which operates in one of two ways depending on the nature of the problem. On the one hand, when a dispute arises between members of a work team, they can decide among themselves which procedures to follow in order to settle the dispute internally. When an agreement is not reached, the section leader hears the grievances and intervenes based on arbitration guidelines set out in the plant management policy, which has been implemented in cooperation with all employees.

On the other hand, when the issue is related to a failure to comply to the corporate policy or a disagreement between an employee and the management, the plaintiff submits a written complaint to the section leader who must reply in writing within 24 hours. If the worker is not satisfied with the response, he or she may then submit the complaint to the sector director who is also required to respond in writing. Finally, in the event that this reply should also fall short, the employee has the option of bringing the complaint to either the plant manager or the dispute resolution committee (consisting of three employees and two directors) who will take a final decision.

Finally, a direct access form enables employees to draw up requests and communicate officially their opinions, suggestions, questions or any other information. The completed form is sent to human resources department professionals who forward it to the person or persons concerned, be it the plant manager, section leader or other persons or committees. An employee may fill out a direct access form in strict confidentiality and with full anonymity. Those who have identified themselves must receive a response or feedback within four weeks.

Management Activity in the Human Resources Department

Staffing Management

Lauralco is unusual in that all employees were hired at the same time when the company was first founded. In fact, since the early 1990s, few employees have left the company and few have come on board. Consequently, the recruiting and personnel selection process described below is the one which was used at the plant

start-up. In all, the company has received more than 18,000 applications and met over 5,000 applicants before staffing the positions available at the Deschambault production plan.

At the opening of the plant, a selection process was immediately implemented to fill all positions with individuals who shared Lauralco's values. The nine steps of this selection process were aimed at identifying, primarily through interviews and psychometric tests, those candidates more inclined to work in teams and show individual initiative and autonomy. Showing interest in varied tasks, ease of communication, and a desire to participate in an ongoing quality improvement process were of equal importance when considering candidates.

More than 96 per cent of the workforce who was hired had no experience in aluminium smelting. A shared set of corporate values had prevalence over technical skills, particularly since the company intended to train all its employees so that they would be qualified to operate the latest equipment. As it turns out, it was easier for the management to give technical training to employees than to try to instil values they did not have initially.

Since the plant's opening in 1992, internal recruitment has always been encouraged. Vacancies are always posted internally before being advertised externally. Lauralco has also introduced an

orientation program aimed at informing employees about the company's history, mission, strategy, values, policies, objectives and results. During their orientation, new employees are also acquainted with the role played by the

company's human resource professionals as well as with the company expectations in terms of staff turnover, occupational health and safety, and

The nine steps of this selection process were aimed at identifying those candidates more inclined to work in teams and show individual initiative and autonomy.

so on. Finally, they are made aware of the function and responsibilities of some key individuals in the plant who can address specific needs.

Each new operator (as any new employee) is presented with a skills development plan. This plan sets out, for each of the first three six-month periods, the expected outcomes for any new operator in a given sector. Technical and management skill development standards are described in detail for each period. The plan also describes the objectives progression according to their nature: they deal with the "how", then the "why" of the task to finally focusing on the ongoing improvement. At the end of each period, a feedback interview is conducted where the employee and the section leader discuss whether development objectives have successfully been met or not. The plan also sets out clearly the employee's evolution and reflects his or her progression.

Training Management

After their orientation, employees are given a technical training based on the specifications of their new employment, and are paired with a colleague, generally for a period of two months. If the employee still feels uncomfortable in his or her tasks at the end of the period, the mentorship is extended. Moreover, when an employee is switched to another sector, he or she is "resocialized," i.e. he or she will receive a technical training and will be paired with another employee working in the new sector during a certain period of time.

Following the initial orientation period, continuing training has increased in importance at the plant, not only to meet current training needs in a timely fashion, but also the organization's

future needs. Essentially, the work teams identify, in cooperation with section leaders, their own training needs. Human resource professionals get involved only to assist them in the process and find the most suitable training provider. So training will be geared to providing work teams with additional means of improving their effectiveness, the quality of their operations, and the versatility of their members. Since employees are required to assume numerous responsibilities within their respective work teams or on various

Management firmly believes that "banking on human capital means offering each employee the possibility of growing within the company while continuously learning and improving."

committees, the company must ensure they have the necessary skills. For example, courses are offered on teamwork, note taking, communication, public speaking, the conduct of meetings, time management, committee processes, technical upgrading, occupational health

and safety, dispute resolution techniques, and statistical process control aimed at improving the quality of manufactured products.

In summary, training at Luralco amounts to a form of respect for employees. Management firmly believes that "banking on human capital means offering each employee the possibility of growing within the company while continuously learning and improving." In 1999, the company invested fully 2.7 per cent of its total payroll in training, allowing for more than 60 hours of training per employee. In order to accommodate training during working hours while maintaining production, the company operates with an employee complement which is 15 per cent above the needed workforce to maintain full-capacity production.

Performance Appraisal

In keeping with its corporate values, Luralco defines a productive employee as "someone continuously looking to improve, who cooperates with team-mates, shows creativity, initiative and autonomy, all the while respecting occupational

health and safety as well as environmental standards with due regard to production quality."

Since the plant's opening, there have been four successive performance appraisal systems, from a system based on organizational values to one based on behaviour ratings. Luralco is now focusing on designing an approach based on skills so that it can conduct more comprehensive assessments and determine the key skills employees should be developing through their work.

Each time the performance management system has been revised, the same developmental steps have been taken. First, a committee comprising members of management, human resource professionals, employees and external consultants is set up. This committee then reviews the current system in order to identify its strengths and weaknesses. Members of each team are consulted and their opinions recorded, and a thorough analysis of the performance appraisal form is conducted. Then the committee sets the objectives to be met and the consequent modifications to be made to the existing system. Afterwards, the committee introduces the new performance management system to the workforce in order to validate it. Once the new system is implemented, an evaluation is done on a regular basis for potential adjustments in a context of continuous improvement.

Employee performance appraisals are normally conducted once a year, on the employee's anniversary date of service. Luralco's values mandate this performance management exercise, which is based on communication, a sense of responsibility and teamwork. Performance appraisal is ultimately "an appraisal for improvement. It is primarily a communication tool. It facilitates exchanges, feed-back, and improvement." Expectations are spelled out for each operator within four aspects of performance: occupational health and safety,

environment, performance of work, and supervisory activities (if required). Three main groups of stakeholders are involved in the operator's performance appraisal: the party being appraised, his or her peers, and his or her immediate supervisor.

The party being appraised is an active participant in his or her own performance appraisal. Before meeting the section leader, the operator is invited to appraise himself on a form designed for this purpose. He or she is required to illustrate and substantiate the self-appraisal with facts and specific events.

A member of the subject's work team is asked to act as moderator. To date, more than 200 employees have been trained to assume this role. The moderator collects peer performance appraisals from at least two members of the subject's work team, who are required to participate in the process. The moderator invites each of these individuals to fill out a performance appraisal form, encouraging them to substantiate their appraisals with facts while avoiding any personal judgments. The moderator is required to destroy the forms filled out by the peers, once a summary of the comments has been prepared; only this summary will be presented to the subject during the performance appraisal interview.

Performance appraisal is ultimately "an appraisal for improvement. It is primarily a communication tool. It facilitates exchanges, feed-back, and improvement."

The section leader is also required to fill out the appraisal form. The space reserved for the setting of development objectives and the means of achieving them is left blank.

With the employee's consent, this plan of action is developed during the appraisal interview.

Section leaders and moderators attend a three- or four-hour training session where they learn how to conduct a quality assessment as well as how to set and follow up on objectives.

Performance Recognition

Consistent with its mission, principles and values, the plant emphasizes team rather than individual rewards. It does not wish to feed a climate of competition, which could conceivably override the spirit of cooperation between workers. Thus, the company does not award any individual bonuses, not even at the management level. In fact, the only way performance is recognized is through the ongoing improvement program.

This program is the primary tool that the management of Alcoa group used

for setting the Luralco plant's annual objectives. Based on the strategic plan, annual priorities are set and presented to all plant employees during a meeting dedicated to the program. Plant sectors and work teams develop their own objectives, and annual business plans. They are then accountable for the outcomes, regardless of individual contribution. At the end of the year, the performance indicators are aggregated by the person in charge of the program in order to ascertain the status of each objective within the plant as a whole. The performance indicators are posted on bulletin boards in every sector and are used to assess progress against the set objectives.

When the organizational objective is reached, an ongoing improvement bonus is granted to Luralco employees. The amount is the same for every employee, regardless of position. This monetary recognition of employee efforts is thus dependent on the performance or productivity of the organization as a whole and makes no allowances for differences in productivity between work teams or sectors. Often the premium comes from savings directly secured through the attainment of objectives.

Luralco also uses various forms of non-monetary recognition. For example, management offers a choice of a watch, a pen and pencil set,

Consistent with its mission, principles and values, the plant emphasizes team rather than individual rewards.

or an office clock to employees who accumulate five years of service; it invites several employees, in rotation, to management events held off-site; it has, in the past, served a gourmet brunch to employees; it puts together several Christmas receptions so that all employees can attend one of them, regardless of their work schedule; it also offers training in favoured locales off company premises. Management

furthermore allocates annual funds to all work teams (the amount prorated to the number of team members) to spend as they please, in

particular to organize various social activities.

Payroll and Benefits Management

At Alumminerie Luralco inc., employee wage scale progression is not directly linked to individual performance. Rather, employees progress step-by-step as they diversify their duties, expand their responsibilities, and increase their technical versatility. This wage progression is clearly defined and indicated to employees as soon as they begin working for the company.

Besides offering the highest salaries of the industry in Quebec, the company provides excellent benefits.

The first four salary steps are each of six months' duration and are geared to acquiring technical and administrative skills. Subsequently, a raise is given at the 24- and 36-month marks. These increases are partly based on a performance appraisal. The employee consequently reaches the top of the scale after three years. In rare instances, an employee who truly does not possess the skills required to move on to the next step at the end of the six-month or one-year period may find this raise held back. However,

an employee who has mastered the required skills in a way that even exceeds the next step's requirements may be promoted to a higher one. Moreover, on top of their regular progression within the wage scale, employees also receive, on an annual basis, an increase calculated as a percentage of their salary. In 1999, for instance, the wage scale was raised three per cent.

Besides offering the highest salaries of the industry in Quebec, the company provides excellent benefits. Among other things, employees have access to the services of a nutritionist, a cafeteria, and a gym with a trainer.

Occupational Health and Safety Management

Employee health and safety is of utmost importance to Aluminerie Luralco inc. This priority receives strong support from Alcoa, the parent corporation, which advocates adopting the highest standards in this respect. According to Alcoa's President: *Even one accident is one accident too many. We can, however, feel pride in the commitment of our team to ensuring continued efforts to further our ambitious objectives with regard to health. The ultimate goal is to eliminate ALL accidents.*

Luralco wants to manage health and safety in a proactive manner within a context of employee accountability. Its aim is two-fold: first, to integrate health and safety into daily activities in order to optimize employees' physical and psychological well-being. Second, since the company's structure of semi-autonomous work teams affords a certain level of authority to those actually doing the work, it is to attain organizational objectives in the area of health and safety in a context of accountability.

Efficiency of Participative Management at Aluminerie Luralco inc.

The Luralco aluminum plant has been able to develop a management system and mode of operation unique to the organization. Also, any new management process at Luralco is first conceived, planned, aligned and integrated within its unique mode of operation and other systems. Thus any new program must seamlessly integrate itself into a work organization mode where decisions are made collectively by employees in work teams, and where human resource professionals act as agents of change and support, as well as business partners within the company.

Moreover, since a philosophy of ongoing improvement pervades the Luralco plant, change is appropriate. There can be no doubt how employees feel about management's approaches to employee satisfaction and empowerment. In 1998, staff turnover was only 0.35 per cent, while a 1997 poll indicated that fully 89 and 93 per cent of employees respectively were proud of their work and of working for Luralco. In fact, the quality of life and the labour relations atmosphere within the plant are excellent. The optimization of the perception of justice among Luralco employees rests in large part on the collective decision-making process valued by the company. Making decisions in committees or at employee meetings takes up nearly 20 per cent of employees' time. While this process is obviously very demanding for employees in terms of time and energy, the organization recoups this time and energy once the decision has been made. This is because any decision based on this level of consensus will be quickly and permanently implemented.

"Even one accident is one accident too many. We can, however, feel pride in the commitment of our team to ensuring continued efforts to further our ambitious objectives with regard to health. The ultimate goal is to eliminate ALL accidents."

WORK-LIFE COMPENDIUM 2001

150 CANADIAN STATISTICS ON WORK, FAMILY & WELL-BEING

Centre for Families, Work and Well-Being
University of Guelph

Women's Bureau
Labour Program, Human Resources Development Canada

Work-Life Compendium 2001 is a resource document that brings together a wide variety of work-life facts and figures compiled from the most recent Canadian data sources available. Data cover a range of inter-related topics, including changes in the family; child and elder care; labour force participation patterns; income and earnings; industrial, organizational and workplace change; labour legislation; and public opinion.

The Issue

The last quarter of a century has been a time of unprecedented social, economic, and organizational change. Dramatic increases in women's labour force participation, population aging, increases in single-parent families, and the on-going restructuring of the labour force are just some of the factors fuelling employee stress and contributing to growing conflicts between the demands of the job and the demands of home and family. Although change has always been with us, seldom has it come at us from so many directions and at such a pace. Some of the factors that are simultaneously contributing to mounting tensions between work and non-work lives include:

- demographic and social factors, including an aging population, and changes in family roles, structures and relationships—especially in terms of women's increased labour force participation and the resulting need to redistribute the unpaid caring and household work traditionally assumed by women;
- an escalating rate of environmental change for organizations, characterized by globalization, increasing competitive pressures, and the rapid proliferation of computer technologies, telecommunication and e-commerce;
- workplace changes for employees, including downsizing and "contracting-out," and the associated pressures for increasing workloads, developing new skills, and adapting to changing technologies;
- growing skills shortages and challenges recruiting and retaining employees in selected sectors and geographic locations;
- shifts in the employment relationship between workers and their employers and in the relative influence of labour to protect workers' rights and job security;
- government restraint, including pressures to balance budgets and focus on fiscal management priorities;

- restructuring of health and social services that affect the availability of supports and potentially increases the role of family members in providing assistance to each other; and
- financial and job insecurities and wariness about longer term trends.

Against this backdrop of structural transformation, employees' ability to harmonize paid work and home life is being recognized as an essential ingredient to both economic and social well-being. Our life experiences attest to the fact that conflict takes its toll in multiple domains, including not only our personal lives, as evidenced in stress and limited opportunity for community involvement, but also in the workplace in the form of reduced performance, morale and productivity.

The bottom line implications of work-family conflict have caught the attention of employers, many of whom see the business implications of work-family conflict, and are looking for ways to support their employees in order to remain competitive and responsive to their own ever-changing operating environments. There remains much work to be done—by individuals, business, labour, and governments—to facilitate the healthy integration of work and non-work roles. This compendium of statistics is intended to inform this dialogue and to stimulate continued discussion.

Highlights of the Report

The studies presented reveal the following trends:

Work-life conflict is on the rise

- Two recent national-level studies tell the same story: work-life conflict in Canada is growing. These studies indicate that roughly half of Canadian employees are experiencing conflict between their work and personal lives, and this is a marked increase over the level reported in the early 90s.

- Work-life conflict is especially problematic for employees in professional and managerial positions.

Work-life issues affect individuals and families

- Women report higher levels of work-family conflict than do men and spend more time in unpaid child care and domestic work.
- A significant trend over the 90s has been a rising level of work-life conflict among men.
- Nearly half of children aged 1 to 5 are in some form of non-parental care arrangement while their parents work or study, as are almost one quarter of infants under the age of 1 year.
- Child care can be expensive for young families. In 1998, yearly fees for full-time centre-based care for infants and toddlers averaged \$6,000, considerably higher than the cost of a year's university tuition.

Work-life issues affect organizations

- Employees with high work-life conflict miss more than twice as many workdays as those with low conflict.
- It is estimated that work-life conflict costs Canadian organizations roughly \$2.7 billion in lost time due to work absences—not including indirect costs such as replacement of the employee during the absence, overtime costs, or reduced service or productivity.

Work-life conflict is not limited to parents

- Eldercare is a growing issue as the population ages. In 1999, one quarter of Canadian employees cared for an elderly family member, up from one fifth in 1989.
- Fifteen per cent of Canadian employees care for both children and an older relative.

- Work-life issues extend beyond caregiving. Employees also need time to train, study, or participate in their communities. One in three employed women and men in Canada are involved in job-related adult education or training. One in four adults in their child-rearing years is involved in voluntary activities.
- Employees who report good relationships with their employing organizations are less likely to look for a new job and miss less work due to illness (two fewer days per year), as compared to workers who report weak employment relationships.
- Employees with supervisors who are sensitive to their personal needs are more satisfied with their jobs and miss half as many workdays as employees with non-supportive supervisors.

Changes in the nature of work may be contributing to growing work-life tensions and health problems

- Recent changes in the structure of work and work time may be exacerbating work-family stresses. Production pressures and a growing need for round-the-clock services mean longer work hours for some, growth in non-day shifts, and a move toward non-standard work arrangements such as part-time, temporary and contract work. Only roughly half of workers in Canada today fit the "standard" model of a full-time permanent 9 to 5 job.
- Long work hours and high-strain jobs not only hamper employees' ability to harmonize work and family life, but also are associated with health risks, such as increased smoking and alcohol consumption, weight gain and depression.

Most Canadian employees do not have access to flexible work arrangements that might help them cope

- Only one in four Canadian employees reports a flextime schedule.
- Only one in ten perform any paid work at home.

There is growing evidence that supportive and flexible workplaces pay off for organizations

- Flextime schedules have been associated with a 15-percentage point reduction in average time lost from work.

Workplace policy and practice are not always in synch

- Whereas employer surveys suggest that flexible work arrangements are rather prevalent, employee data suggest limited access to workplace practices that might help them cope. For example, a recent large survey of Canadian employers found that 88 per cent of responding organizations offered flextime to their employees. Nationally representative data collected from employees, however, reveal that only 24 per cent actually work a flextime arrangement.
- Flexible work options are sometimes granted only to employees in certain job classifications or who meet other established criteria. It has been demonstrated that workers who job share, telework, or work flextime are more likely than those without flexibility to be professionals, highly educated, and well paid.
- Supervisors often are "gatekeepers" to flexible work arrangements. One Canadian employer survey found that roughly half of organizations leave eligibility for flexible work arrangements to management discretion.
- Managers are key to creating supportive workplaces, but they too are under stress, and often lack the tools and resources they need to bring about change. It has been suggested that only one third of Canadian organizations

provide their managers with work-life training, and less than one quarter offer recognition or reward for promoting work-life integration.

Work-life issues are likely to remain highly visible in the near future

- The desire for a "better balance" is not limited to baby boomers or to parents of young children. Research with students and young graduates in fields associated with labour shortages show that work-life integration is a major consideration in their choice of employers.
- Ninety-five per cent of young women and men in Canada plan to have at least one child.
- Forty-five per cent of surveyed university students want time to travel extensively and an equal proportion want to be active in their communities.

Other Studies

Studies that have specifically addressed attitudes toward work and family integration suggest that Canadians are struggling to adapt to rapidly changing roles and expectations. One such study, *Voices of Canadians: A Seeking Work-life Balance*, is summarized following this article. Whereas most Canadians espouse the notion that both women and men should be able to pursue meaningful careers and contribute to household income, there is a lingering doubt that family may suffer when both parents are employed and no one is home to see to the needs of the family. Surveys of students and other young Canadians reveal similar ambivalence. Most young women and men today value challenging and rewarding paid work, but also indicate that they plan to have families, want time to "smell the roses," and will likely seek an employer who will respect their desire for a balanced life.

For more information and a copy of the complete resource document, visit the

Work-life Balance in Canadian Workplaces

at: <http://labour.hrdc-drhc.gc.ca/worklife/work-life-balance-en.cfm>.



LISTENING to the VOICES of Canadians

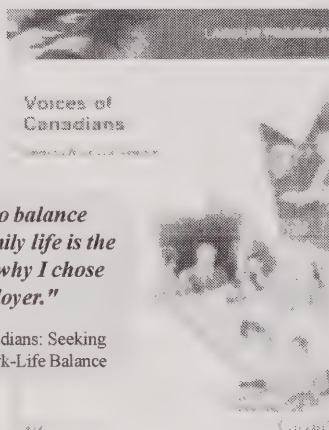
by C.A. Montsion

Communications, Labour Program
Human Resources Development Canada

The report, *Voices of Canadians: Seeking Work-Life Balance*, explores work-life balance issues and the conflict Canadians face between the demands of work and home. The report shows that employees increasingly see time, or what they perceive as a lack of time, to deal with all the demands in their lives, as a major source of conflict.

"The ability to balance work and family life is the main reason why I chose ... as an employer."

Voices of Canadians: Seeking Work-Life Balance



Over 31,000 Canadian workers from the public sector (federal, provincial and municipal governments), private sector and not-for-profit organizations (includes health care and educational sectors) took part in the original study.

The report, funded by the Labour Program, was written using comments taken from *The National Study on Balancing Work, Family and Lifestyle* commissioned by Health Canada and conducted by researchers Dr. Linda Duxbury and Dr. Christopher Higgins. The study was designed to examine issues associated with work-life conflict; identify Canadians at risk; and identify why employers, employees, unions and governments should be concerned about this issue. The study also discussed what steps could be taken to help Canadians achieve better work-life balance.

These participants came from workplaces employing 500 or more people and represented 100 organizations. About 10,000 of these survey participants added their individual comments about the relationship between their personal and working lives. The bulk of the comments center around problems at the organization level or how much work is expected and when, where and how this work is performed. These personal testimonials, striking in tone and substance, and what they say about the lives of working Canadians are at the heart of *Voices of Canadians*.

Canadians told the researchers that they want more flexibility or control over the organization of their working lives, but that does not have to mean additional costs to employers who are striving to stay competitive in a global economy. Rather it means looking at new ways of doing things that de-emphasize the importance of "face time" on the job. What really matters is getting the job done. How that job is done can be accomplished through a number of creative approaches.

WHAT CAN EMPLOYERS do?

The researchers came to these conclusions:

- Improve people management practices in the organization. Increase the number of supportive managers with good "people skills" and give them the training, tools, time and incentives to put in place management policies and practices that support work-life balance. For example, help and support managers in the implementation of alternative work arrangements like flexible work schedules or telework.
- Provide more flexibility around when and where work is performed. The process for changing hours or location of work should, whenever possible, be flexible. Employers should look at new performance measures that reward output rather than hours or face time on the job. Reward what is done, not where it is done.
- Create a more supportive work environment and start changing the corporate culture. Research, develop and implement the kinds of supportive policies that would work well for employees. Not all policies are feasible. Regularly communicate these policies and encourage their use; employees must be made to feel that their careers will not be jeopardized if they take advantage of these measures. Measure and evaluate the use of these policies in the organization. Reward those sections that demonstrate best practices.
- Limit overtime and give employees the right to refuse overtime work—with the exception of emergencies or other special requirements. Implement time-off arrangements in lieu of overtime pay.
- Provide a limited number of days of paid leave per year for childcare, eldercare or personal problems.
- Make it easier for employees to transfer from full-time to part-time work and vice versa. Introduce pro-rated benefits for part-time work, guarantee a return to full-time status for those who elect to work part-time and allow an employee's seniority ranking and service to be maintained.
- Examine workloads in the organization. If certain employees are spending long hours on the job, find out why, and rectify the situation.

Meeting the needs of workers and balancing work, family and a personal life are important to the health, well-being and economic success of both Canadian workers and the organizations that employ them. Everyone, employers, unions and governments have a role to play in finding solutions to work-life conflict.

Unions can look at the recommendations above and include these ideas and measures in the collective bargaining process. Governments, through research, can help inform the discussion by helping Canadians understand the complexities of these issues and possible solutions that promote positive change.

WORK-LIFE BALANCE IS GOOD FOR THE BOTTOM LINE. LISTEN TO ONE EXAMPLE OF A WORKPLACE THAT SEEMS TO HAVE IT RIGHT.

"Our supervisor is great and respects and encourages family life, and in return we are a happier, more productive staff. It's a win-win situation. I have been lucky and my supervisors have been confident and appreciative of my work and trust me and care about my family needs."

CONTRAST THIS WORKPLACE TO THE ONE BELOW.

"There is a real perception that our work is not valued or appreciated by our employer. Constant cutbacks make it almost impossible to do a good job and thus contribute to job-related stress. This is compounded for me by personal, family-related stress to the point where it is affecting my physical and emotional health. Our employer chooses to deny that these negative effects can be changed by management attitudes or decisions."

There are no neat boundaries between our working and personal lives. Organizations that support their employees will find lower levels of stress and staff turnover, better morale, and higher productivity. Of the two examples mentioned, where would you like to work?

Voices of Canadians: Seeking Work-Life Balance and other research reports on work-life balance are available on our Web site at <http://labour-travail.hrdc-drhc.gc.ca/worklife/>.

Taking Action on the **AGING** of the Labour Force

Labour-Management
Consensus in
Quebec

Patrice Jalette
Université de Montréal

Daniel Villeneuve
Conseil consultatif du travail et de la main-d'œuvre

The Conseil consultatif du travail et de la main-d'oeuvre [advisory council on labour and employment], a Quebec employer-labour organization, is interested in the issue of the impact of the aging of the labour force on the economy and on the living conditions of workers. Employers and unions have felt the need to work together to determine what realistic actions can be taken to adapt the workplace to the foreseeable consequences of this phenomenon. The joint approach undertaken by the Council has enabled the main employer associations and unions to reach a consensus on the strategy to adopt regarding the aging of the labour force. This strategy is described in a document entitled « Adapter les milieux de travail au vieillissement de la main-d'œuvre : Stratégie du Conseil consultatif du travail et de la main-d'œuvre » [Adapting the Workplace to the Aging of the Workforce : A Strategy of the Advisory Council on Labour and Employment] researched and written by Patrice Jalette and Daniel Villeneuve. After a short introduction, the following text reproduces, almost in its entirety, this strategy document.¹

Created in 1969, the Conseil consultatif du travail et de la main-d'œuvre (the Council) is an advisory, review and policy organization whose mission is to develop and maintain consensus building between employer and union organizations in order to channel and support public policy regarding employment and workforce in Quebec. Included are, in equal numbers, members from the most representative employer associations and unions in Quebec as well as the Deputy Minister for Labour. The employer association members of the Council are the Conseil du patronat du Québec, the Canadian Federation of Independent Business, and Quebec Manufacturers and Exporters. The union members are the Centrale des syndicats démocratiques (congress of democratic unions), the Centrale des syndicats du Québec, the Confederation of National Trade Unions (CSN) and the Quebec Federation of Labour.

In response to the growing concern of its member organizations, the Council undertook a joint review of the aging of the labour force issue. Discussions between employer organizations and unions led to several shared findings and to the proposal of solutions that may enable both parties to better adapt to the reality of aging in the workplace.

¹ The official position of the Conseil consultatif du travail et de la main-d'oeuvre was submitted for comment to the Minister of Labour and then distributed to workplaces, is available in its entirety (in French only) at www.cctm.gouv.qc.ca/.

The results of this process are presented below. The first section briefly describes the joint findings of the employer organizations and unions regarding the aging of the labour force. The second section outlines the objectives of the strategy agreed upon by the parties as well as the guiding principles behind the strategy. Finally, the third section presents the tools agreed upon by the employers and unions to promote an adequate adaptation of workplaces to the aging manpower phenomenon.

The Aging Labour Force—An Inevitable Challenge for the Workplace

The demographics of an aging population is a reality that affects all industrialized societies and is explained by the drop in the birth rate and the increase in life expectancy, among other factors (United Nations 2001).

Quebec is no exception to this general trend: Quebec society has more and more elderly and is slowly but surely heading towards a decrease in its population (ISQ 2000; Thibault and Gauthier 1999). The aging of the population is not without consequences for the profile

of the active population. It will inevitably lead to a decrease in the working-age population in the near future as well as an increase in the proportion of older workers in the workplace. Generally speaking, the aging of the population, associated with other factors such as longer schooling and the abolition of the mandatory retirement age, results in an increasingly older population in the workforce.

The pace and intensity of the aging of the workforce will vary according to each sector and organization. In teaching, public service, health care, public administration and transportation, the proportion of manpower over 45 years of age is already high (Schetagne 2001). The phenomenon of aging in employment does not affect women and men equally. Moreover, the significant number of workers who will be retiring over the next few years will not be entirely compensated by the hiring of young people, which will lead to a decline in the active working-age population (Sunter 2001). The downtrend in the age at which people are retiring also contributes to this decline.

The aging of the workforce as well as the decrease in the available labour pool will have effects on the job market and in the workplace. These effects constitute a challenge for the key players in this field. The availability of labour, the transition/succession issues, the transfer of expertise, labour retention and skill development are concrete challenges that need to be addressed in order to adapt the workplace to an aging labour force. All the key players in labour—employers, unions, older

workers and other workforce members—must work together to face the challenges related to the aging of the labour force. Employers and unions are increasingly aware of these high-stake issues within the framework of labour relations (Canadian Labour and Business Centre 2001).

The phenomenon of aging in employment does not affect women and men equally.

Employers and Unions at the Conseil consultatif du travail et de la main-d'œuvre Take Action

At the Council, employers and unions both recognize that the potential impacts of the aging of the labour force must be taken seriously. This is why they have jointly stated that workplace adaptation to the aging of the labour force is now on the agenda and that they are committed to taking concrete action to face

this challenge together. Taking concrete action in each workplace is essential for the proper working of the Quebec economy as well as for the well-being of workers.

Until very recently, the trend was to consider the reality of the aging of the labour force mainly as a problem for individual workers to be solved by retirement mechanisms. Nowadays, it is clear that the

aging issue has also a collective dimension. We realize that aging can have an impact on the organization's

productivity and on the labour conditions not only of the aging workers, but also of all of the company's workforce. It is therefore imperative to develop effective human resource management planning mechanisms. The challenges have to do with work organization, human resource management, labour relations and training.

The workplace is not powerless when confronted with this reality. On the contrary, it has the capacity and the means to take action, especially when it comes to work organization and management practices. In some ways, the strategy put forward by the Council is only the beginning of the process. The next step needs to bring the debate into the workplace. Employers and unions must encourage this reflection among their own people, and their members must have the opportunity to discuss the issue. This reflection and these discussions will eventually help to clarify the Council's approach. Employer organizations and unions will also share the results of experiments carried out on site in order to find ways to adapt workplaces to an aging labour force. These innovations could be informative and inspire action in other work environments.

Finally, public policy in terms of employment, training and retirement plans can have a significant effect on business management practices as well as on the worker's individual choices. That is why the employers and unions on the Council recommend that public authorities take certain actions in this regard, particularly to facilitate access to phased retirement.

The challenges have to do with work organization, human resource management, work relations and training.

Objectives

The strategy adopted by the Council in order to deal with the challenges brought about by the aging of the labour force pursues three objectives:

Enabling organizations to have access to qualified and experienced labour in sufficient numbers

To ensure access to qualified and experienced labour in sufficient numbers, organizations must be able to count on workers from all generations among their staff, whether they are new hires (more or less young) or the experienced personnel already on the job. The transfer of expertise from experienced labour to new employees must be ensured. Moreover, investments must be made to maintain and develop the skills of the workers, regardless of their generation, as well as to find ways to attract and retain workers.

Improving the situation of the workers in keeping with the context of renewed management of the aging labour force

Taking into account the increase in the numbers of older workers in the workplace and the objective of promoting job retention, workplaces will have to become more "user

friendly" for the aging labour force. Ways must be found to adapt various aspects of the work conditions to make life easier for those getting older in order to avoid making age a disadvantage: work organization, schedules, training, etc. Certain measures primarily designed for older employees may also meet the needs of other workers (e.g. safer work organization or more flexible work hours). If there are some differences between the older and the younger employees in terms of job expectations, their needs remain quite similar: equity, security, quality of life, training, etc.

Offering people the freedom to choose between remaining at work or leaving for retirement

Faced with such an important decision, people should be able to make a real choice. In many cases, workers do not currently have a real choice. Among the factors that influence their decision, there are, for instance, pressures from colleagues in the workplace, retirement plan regulations, ad hoc early retirement programs and a lack of training in the course of employment. The decision to remain at work or to leave for retirement should be taken based on the needs and aspirations of the individual while taking into account the organization's specific context.

Guiding Principles

The employers and the unions on the Council agree on certain principles that should guide action relative to the management of the aging labour force. These principles mostly stem from previously established considerations:

- The aging of the labour force is a process already underway that, instead of being seen as a constraint, must be viewed as an opportunity for workplaces to renew some of their human resource management and work relation practices.
- Considering the current situation in some sectors and the impacts expected over the mid-term, it is necessary that we ask ourselves now how we are going to face the challenges inherent to adapting workplaces to the aging labour force, even if the long-term effects of the aging of the labour force on the job market (shortages, balance, etc.) remain uncertain.
- All the key players in the workplace—employers, unions, aging personnel and other employees—are called upon to deal with the challenges related to the aging of the labour force.
- Because the reality is different in every workplace, it is up to local key players (employers, unions, employees) to discuss and agree on an action plan with measures specific to the adaptation of their workplace to the aging of the labour force.
- Although these measures will be aimed at aging personnel, some are likely to also meet the needs of other workers. These other workers must not be left out in the process of renewing certain human resource and work relation practices, a necessary step designed to adapt workplaces to the aging of the labour force.

Action Plan

The following action plan has been agreed upon between the employers and unions on the Council. The parties considered the elements of this plan to be the most likely to promote the adaptation of workplaces to the aging of the labour force, in keeping with conditions that respect the interests of both the companies and the workers. The parties also agreed that these measures are within the scope of all workplaces which can take immediate action. Finally, the measures are likely to promote the attainment of the aforementioned objectives. Six measures

are proposed pertaining to the following fields: attitudes and behaviours; phased retirement and job retention; training; the transfer of expertise; work time; and work organization (Saba, Guérin and Wils 1997; Walker 1997). The following figure

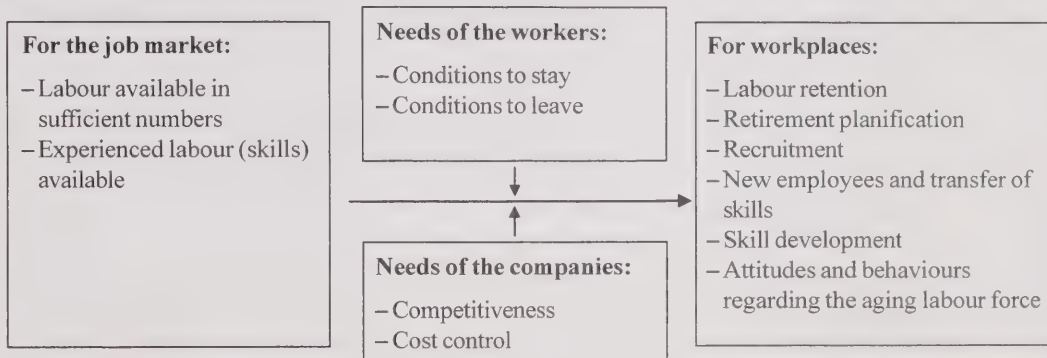
summarizes the action plan adopted by the Council in order for workplaces to face the challenges of the aging labour force.

The Aging of the Labour Force—Challenges for Workplaces and the Strategy of the Conseil consultatif du travail et de la main-d'œuvre

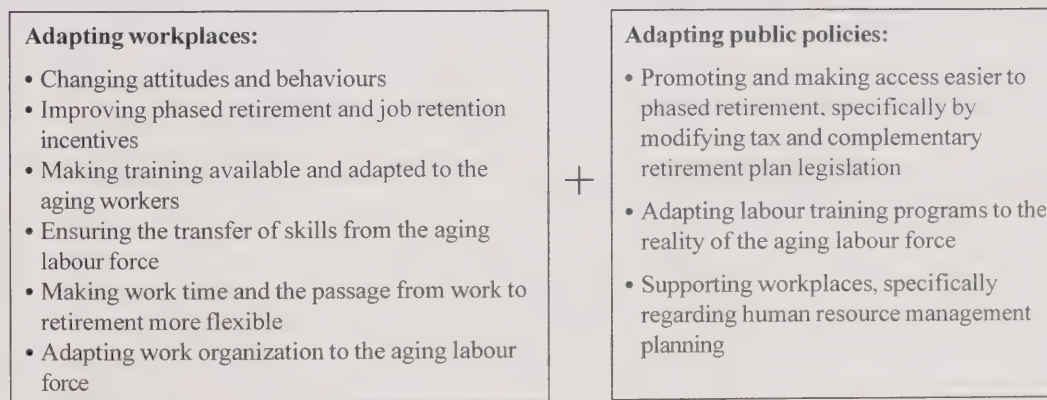
Facts and Trends



Challenges



Strategy of the Conseil consultatif du travail et de la main-d'œuvre



Changing Attitudes and Behaviours

A renewed management of the aging labour force must begin by adapting perceptions and attitudes of:

- work colleagues;
- management and executives;
- union stakeholders;
- retirement plan and government program planners;
- the ageing personnel itself.

In order to do this, basic questions must be addressed at all levels in a straightforward manner.



Is there discrimination or segregation based on age in the workplace, as seen in the behaviours or decisions with regard to an aging personnel? **W**hat is the impact of a dream or an objective such as "Freedom 55" on career and retirement planning? **W**hat place are we making and what place would we really like to make for the aging labour force in our organizations? **A**re collective agreements and human resource management practices accommodating the aging labour force? **C**an laws and government programs promote measures other than early retirement?

The increased presence of the aging labour force will undoubtedly bring about a change in values and behaviours, but active measures will probably be necessary since prejudices towards older people, like all prejudices, are persistent. In order to break down the barriers likely to keep older workers from fully realizing their potential (Walker 1997), specific interventions must be planned, such as establishing anti-discrimination and anti-harassment policies and increasing awareness among management, those in charge of recruitment and staffing as well as younger personnel. Although older workers have always been part of organizations, some policy changes are necessary, similar to those which were implemented in policies on women and visible minorities in order to prevent discrimination.

Improving Incentives for Phased Retirement and Employment Retention

Over the last few years, a heavy trend in human resources planning was aiming at promoting voluntary severance and early retirement. In fact, many of these departures have not been really voluntary, insofar as the workers were facing the risk of losing significant sums of money if they continued working. The short amount of time granted to take advantage of early retirement incentives can also put pressure on workers when the time comes to make critical choices.

Furthermore, various options, generally financed by the retirement plan, have been introduced to urge workers into early retirement: transitional temporary life annuities, absence of actuarial reduction, the lowering of the retirement age in the plans, etc. These incentive measures are not necessarily bad. On the contrary, they meet the needs of certain individuals today and probably will continue to do so tomorrow. It seems, however, that this orientation towards early retirement is often at the expense of other options such as phased retirement or job retention. At this time, these options are most often not even considered.

Having early retirement as the one and only option may be detrimental to the workplace over time. Among the potential impacts, to name a few, are the loss of experienced and qualified personnel; difficulties in transmitting knowledge and company culture; the harmful effect on companies who want to adopt competitive strategies based on innovation, strategies that generally require stability and employee mobilization; a possible increased workload and loss of motivation for the remaining staff (D'Amours and Lesemann 1991).

To adapt workplaces to the reality of the aging labour force, the Conseil consultatif du travail et de la main-d'oeuvre considers that phased retirement should be promoted. Phased retirement is defined as an option allowing workers to gradually cut back their work time in anticipation of full retirement. This reduction could take the form of a decrease in the daily, monthly or annual work time and can take place over several years. Moreover, phased retirement can include partial or total, measures, immediate or deferred compensation for the incurred loss of income. Phased retirement, according to the members of the Council, has advantages for both employers and workers. The following table summarizes these advantages.

The orientation towards early retirement is often at the expense of other options such as phased retirement or job retention.

Potential Advantages of Phased Retirement¹

for the employer	for the worker
<ul style="list-style-type: none"> – Avoids the premature loss of employees due to the popularity of early retirement – Allows for better labour restructuring, taking into account the aging of its own personnel – Decreases absenteeism – Increases productivity – Ensures knowledge transfer 	<ul style="list-style-type: none"> – Allows for a harmonious transition between professional life and retirement – Allows for an adequate income, which would include both the salary from the part-time employment and the total or partial retirement pension acquired under the retirement plan – Prolongs work life by taking into account the constraints caused by aging – Allows for the accumulation of an adequate retirement pension while decreasing time at work

¹ Table from the *Rapport du comité technique du Conseil consultatif du travail et de la main-d'œuvre (C.C.T.M.) sur la retraite progressive*, April 24, 1996, p. 10. The information it contains is based on Bellemare et al. 1995. « Vieillissement, emploi préretraite. Les facteurs socio-économiques influant sur la gestion de la main-d'œuvre vieillissante », *Relations industrielles/Industrial Relations*, vol. 50, no. 3, 483–515.

However, phased retirement still remains difficult to apply and is much less advantageous than early retirement, mainly because of tax laws and private pension plan legislation. The Council advocates for more flexible laws, both at the provincial and federal levels, in order to make phased retirement more accessible.

The Council believes that we need to stop thinking in terms of early retirement alone, and that we must develop flexible formulas, such as phased retirement, by immediately modifying the regulations that could impede their use. All the other strategies for adapting to aging will be useless if people are still coerced into leaving. In time, if labour becomes rare, the parties in the workplace will have no other choice but to introduce more flexible measures for the transition from work to retirement.

Finally, the Council believes that we must avoid raising the age of eligibility for retirement in both private and public pension plans. There are ways of retaining the aging labour force at work other than toying with retirement plans.

Making Training Available and Adapted to Aging Personnel

Training for workers more than ever takes on a strategic importance in the context of the aging of the labour force. It is imperative that training be available and adapted to aging personnel. The Council believes that this is one of the most

important measures which needs to be implemented in order to facilitate the workplace adaptation to its aging manpower. By training, the Council means activities aimed

It is more economical for society as a whole to invest in training rather than exclude older workers from the job market.

at maintaining the workers' skills in their current job and developing new skills, as well as the further training involving the acquisition of new skills in order for the worker to work on a different job. Integrating new employees and transferring expertise are also training aspects that take on a greater importance in the context of the aging labour force.

Without up-to-date skills, aging people who lose their jobs become the long-term unemployed. In this sense, it is more economical for society as a whole to invest in training rather than exclude older workers from the job market. Regular access to training and learning possibilities throughout the worker's professional life is just as beneficial to the organization, insofar as the training increases the effectiveness and versatility of workers of all ages.

Training, regardless of its specific objectives (development of new skills, re-training, career reorientation), must be adapted to the learning style and experience of the learner. Older workers can learn as much as younger employees as long as training methods are adapted.

Ensuring the Transfer of Expertise from the Aging Labour Force

Even in the context of an aging labour force, workplaces will continue to recruit younger or less experienced individuals who need to be trained. Before they leave for retirement, it is essential to allow experienced people to transfer their expertise to new employees to avoid disrupting the work flow of the organization. Meeting this challenge

is currently perceived as being more pressing in some sectors, but this might become true on a much larger scale as more and more baby boomers leave for retirement. The transfer of expertise must be allowed to take place without jeopardizing the employment status of older workers. Naturally, another requirement in order to reach this objective is to make sure that the aging workers do not leave the organization before new employees are hired. A sufficient amount of time should also be provided to allow for the transfer of expertise. Transferring expertise from one generation to another within the organization requires time, planification and the implementation of more or less formal transfer activities. Less experienced people must be able to work alongside experienced workers in order to benefit from their know-how. In organizations, this often occurs on a daily basis but more structured opportunities must be created, including, for instance, job sharing between long-time and newly hired employees, the buddy system, supervised internships, matching or mentoring.

Transferring expertise from one generation to another within the organization requires time, planification and the implementation of more or less formal transfer activities.

The sharing of expertise must be part of individual career development and part of the organization's culture. For experienced workers, the professional challenge and the task enhancement provided by the training of new employees could encourage some of them to remain for a longer period in the workplace. This possibility should not be neglected when selecting methods aimed at improving labour retention.

The Council believes that the expertise of the aging labour force must be recognized. Workers, regardless of their professional profile, have a transferable expertise. In a way, skills acquired in the workplace are, in many respects, as important as those acquired in school.

Increasing Flexibility in Work Time and in the Transition from Work to Retirement

Work time flexibility is an effective tool to help the workplace adapting to aging, whether it is for the purpose of retaining labour, extending the worker's professional life or recruitment. Different formulas can be applied where the organizational context allows it: reduction in daily, weekly or annual work hours, part-time work, teleworking, job sharing, right to refuse overtime, access to additional leave with or without pay, etc.

The Council believes that implementing these measures can promote phased departure, a solution that has advantages for both workers who are not yet ready to leave and companies which are not ready to lose them. Certain forms of work time flexibility complement each other and will reach their true potential with the development of the phased retirement strategy mentioned earlier. Other arrangements that facilitate the transition from work to retirement include self-employment or occasional call-back to work. In order for these strategies to be effective, the Council considers that they must remain an option and must not serve as a pretext to trivialize employment.

Adapting the Organization of Work to the Aging of the Labour Force

The organization of work is another aspect to consider in order for the workplace to adapt to the aging of the labour force. In this field, interventions must promote the implementation of a safer and more user-friendly work environment, a condition likely to encourage older workers to prolong their careers.

The physical demands of the work can be modified by taking into account ergonomic factors, or factors related to health and safety in general, in order to compensate for a reduction in certain physical capabilities. In addition to the physical demands of the job, it is possible to adapt the mental workload as well by adjusting the work pace and schedules. Inconsiderate or incessant increases in workload are not likely to encourage people to remain on the job for any amount of time after they become eligible to their old age pension. It should also be mentioned that inadequate training will inevitably reduce the capacity of older people to meet the physical and mental requirements of their jobs.

Other measures that apply to the organization of work have been previously mentioned in this paper, including work hours, training and the transfer of

expertise. With regards to phased retirement, the work reorganization it requires is often seen as an obstacle to its implementation. However, the Council members believe that this obstacle can be surmounted and that solutions exist. For example, experience has shown that the constraints related to work organization are lessened when phased retirement is applied on an annual basis (e.g. six months of work, six months of retirement) rather than on a weekly or daily basis.

Conclusion

Reflection on the impacts of the aging of the labour force in the workplace has already begun. The employer and union organizations who are members of the Conseil consultatif du travail et de

la main-d'oeuvre agree on the importance of the issues at stake and the necessity to prepare for the aging of the labour force, a challenge that is already affecting certain sectors of activity. These employers and unions have taken up the challenge, and together they are committed to addressing it. They also agree on the importance of taking immediate action by determining common approaches and solutions. The debate must now move into the workplace.

For their part, public authorities are also called upon to meeting the challenge of the aging of the labour force. Union and employer organizations represented at the Council want to actively collaborate with them in the implementation of the necessary action plans. In this respect, Council members put a special emphasis on the objective aiming at promoting a better access to phased retirement, which has the potential to yield key advantages for both businesses and workers.

In addition to the physical demands of the job, it is possible to adapt the mental workload as well by adjusting the work pace and schedules.

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Anti-Harassment Workplace Training Program

DEVELOPED BY
UNITED STEELWORKERS OF AMERICA

JP Surette

Communications, Labour Program

Human Resources Development Canada

The United Steelworkers Anti-Harassment Workplace Training Program is part of the union's overall education program and is available to members and front-line managers throughout the country. Over thirty thousand employees have participated in anti-harassment training, which has helped them to understand and address incidents of harassment and discrimination in their respective work environments.

The Program

As part of their program, the United Steelworkers of America identifies potential workplaces as candidates for anti-harassment training and negotiates the terms and conditions of training with the employer. Through various presentations and training sessions, participants are educated about the very real issues of harassment and discrimination. Part of the course involves discussions concerning who is affected by harassment, what the consequences can be, what steps can be taken to deal with harassment and where responsibility lies. Videos, worksheets, and discussion groups are some of the tools utilized and the program includes conducting a follow-up.

Recent Training Sessions

A mine in northern Canada employs approximately 450 people, which includes a small number of women. Many of the employees have worked at the mine for all of their working lives. A total of 18 two-hour sessions reached all members over a six-day period.

At a steel warehouse company in British Columbia, one anti-harassment training session was presented; subsequently the company requested two more. A follow-up found that the training was very successful at helping workers identify and properly deal with incidents of harassment.

In an isolated community, the diversity of people and jobs led to interesting and educational sessions for all of the participants. The program was very well-received and as a result all town employees took the training. They participated in three-hour sessions, with follow-up sessions that included assistance in handling long-standing complaints.

At an East Coast petroleum refinery employing approximately 500 people, concerns about harassment of people with disabilities led the parties to agree to sponsor the joint anti-harassment training sessions.

Effective Training

Staff, management, and facilitators work alongside program coordinators to raise the awareness of the workplace training program. References from these groups have generated further interest in the program, contributing to its continued success and increasing popularity.

Numerous employers cite the program as an effective way to raise awareness of harassment and provide tools to help address issues of harassment and discrimination. Follow-up also includes opportunities for workers to communicate

changes in the 'culture' of the workplace and to voice concerns about existing or continued harassment.

Outreach

The training program incorporates a strong outreach component. One of the most important information sessions is held as part of the Young Worker Awareness Program. In conjunction with the Day of Mourning activities on April 28th, a day when Canadians who have died on the job are remembered, program facilitators visit high schools to present basic health and safety awareness sessions with

added information in relation to harassment, discrimination, and violence in the workplace.

Future Plans

The interest and demand for the Anti-Harassment Workplace Training Program is rising across the country. An increasingly popular trend in larger workplaces involves training employees to become skilled anti-harassment facilitators. Along with additional workshop sessions and conference presentations, the union continues to work on the development of a resource kit for local unions to negotiate joint training.

For more information about this anti-harassment project, or about funding possibilities through the Labour-Management Partnerships Program for other joint union-management projects, please contact the Federal Mediation and Conciliation Service at 1-800-563-5677.

Articles and Case Studies!

Previously published articles and case studies from past issues of the Workplace Gazette, are available on the Workplace Information Directorate Web site at <http://labour.hrdc-drhc.gc.ca/>.

Workplace Safety Groups

Review of North American Results

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Introduction

Competition compels companies to change the way in which they manage their organizations, particularly with regard to health and safety. One of these changes is aimed at reducing occupational health and safety risk management costs. Insurers have set up a new plan to better address this evolution: occupational safety groups. In the United States, these groups first appeared in the 1960s but quickly vanished because of the general dissatisfaction of members whose dividends were reduced or completely erased because of poor performers. At the end of the 1970s, the traditional concept of safety groups was replaced with a new product based on self-underwriting. A revised and improved version of the sixties' model, taking account of corporate world realities, emerged at the end of the 1990s. The most active Canadian provinces in this field were Quebec, Ontario and Alberta. In Quebec, these groups are commonly known as *mutuelles de prévention*, or prevention mutuals. They have existed in the province since October 30, 1997, and represent, as of 2002, more than 20,000 Quebec employers divided into 175 mutuals (Commission de la santé et de la sécurité au travail [CSST] 2000).

Results from the various types of safety groups are difficult to correlate, are rarely dealt with in the literature, and show a great degree of variability in predicting gains. The CSST's experience with safety groups is quite limited, considering the popularity of this health and safety risk management approach within the business community. It is thus necessary to draw a clearer profile of these groups in order to allow small and medium-sized

This review of the literature showcases the history, workings and main outcomes of North American safety groups. The detailed description of several insurance products highlights the disparity in regulations surrounding the creation and management of these groups. Foreseeable gains and savings brought about through these governmental or private programs are also presented. These partnerships are fraught with informational asymmetries and are thus vulnerable to strategic behaviours. In order to better understand the dynamics, it is essential to clarify insurer-insuree-worker relationships.

companies from all sectors of the economy to make more enlightened choices regarding improved results forecasting, planned information needs, personnel training management, as well as to decide which audit strategy to adopt.

Safety groups take on a wide variety of legal and institutional forms depending on the insurance and benefits plans of their respective regions. The discussion will thus be split into two distinct parts—Canadian and American safety groups—in order to better distinguish the differences between plans.

Operation and Gains of Safety Group Types

Self-Underwriting Safety Groups

Created at the end of the 1970s, this product represents a collective initiative, on the part of American businesses, to better manage employment injuries. Member premiums, classified by industry, are calculated according to the risk of injury presented by each industry's business activities. A minimum total payroll is required for certain groups. The group assumes, based on pooled resources, responsibility for most risks and injuries faced by its employees. Claims surpassing a certain compensation threshold are liable to the terms of an external insurance policy. Most claims are covered by the group (Beaulieu and Décarie 1997). This employment injury cost management methodology was created in order to accommodate small and medium-sized businesses unable to invest the amounts necessary for overall insurance coverage. This program encourages businesses to become actively involved in the performance of other members of the same group. Dividends paid out to members are calculated according to previous group performance and results. This performance may be calcu-

lated based on three to five years' participation in the group (Risk Management Service). Expected gains may represent premium savings of up to 18 per cent, as well as economies of scale reaching as high as 50 per cent of individual assessments (Agarwal and Everett 1997).

Canadian Safety Groups

Disbursements attributable to work-related injuries and illnesses represent enormous costs for insurers, employers and employees. Faced with this reality, provincial governments have developed workplace safety support tools. The Workers Compensation Board, a non-profit insurance and workplace safety agency, has, since 1917, attempted to implement workplace safety programs in cooperation with industry. Its stated goal is to reduce injury and illness risks associated with work by providing health and safety related services and programs. Alberta, Ontario and Quebec are where the most important Canadian safety association networks can be found and are the only provinces to offer safety group programs (WCB 2002).

In Canada, the provincial plans include industrial sector classifications that are used in determining annual assessment rates. Taking into account

worker experience in establishing premiums allows for a more equitable distribution of costs for work-related injuries and illnesses between particular businesses. The goal of the premiums and surcharges is to encourage employers who incur large occupational health and safety expenses to improve their performance and to support the efforts of businesses in ensuring a secure workplace.

Nova Scotia

Compensation Plan

Since 1996, worker insurance plan reform has instituted a business classification system that groups firms according to their industry sector. Businesses of the same group are then divided according to their claims history. This last division is based on the stability of claims over the previous five years. Each group is assigned an assessment threshold. Based on their claims history, companies may be assessed a surcharge or reduction of up to 20 per cent (WCB 2002).

New Brunswick

Compensation Plan

Founded in 1995, the Workplace Health, Safety and Compensation Commission of New Brunswick is mandated with creating a safe working environment through the delivery of insurance and health and

safety support services. This plan is aimed at safety, rehabilitation, and the return to work of employees.

The classification of companies is similar to that found in other provinces. However, employers with assessment rates of less than \$1,000 cannot use their experience in setting assessment rates. Employers not participating in the program pay a premium set according to the base rate for their respective groups, with no account being taken of their experience. Surcharges for poor performance can reach as high as 80 per cent, while rebates for exceeding expectations may be as high as 40 per cent (WCB 2002).

Manitoba

Compensation Plan

Manitoba is the province with the greatest number of hours lost to workplace injury, with 5.8 time-loss injuries per 100 workers (WCB 2002). The Manitoba compensation plan represents close to 20,000 employers. The compensation system comprises many classifications, according to the type of industry concerned. Each year, industrial classifications are reevaluated and businesses are placed in one of eight risk categories according to their claims history. When apportionment takes place, two types of risk are evaluated: overall worker injury risk for that

industry and the individual employer risk. This program provides for reductions or surcharges of as high as 40 per cent. To mitigate the financial vulnerability of businesses following an accident, the increase or decrease is capped at 15 per cent of assessments per year (WCB 2002).

British Columbia

Compensation Plan

This program is offered to businesses of all sizes in many industry classifications. The assessment level is set according to the classification of a company. A percentage is then assigned, according to the size of the company, to determine the actual assessment rate. The minimum for this is 10 per cent. The higher the participation rate of the company (the percentage), the higher the current year individual rates will be. For instance, a company with a participation rate of 90 per cent will have its premium based 90 per cent on the current year, and 10 per cent on previous experience (WCB 2002). This experience is assessed based on the previous three years. Since recent events are a better indicator of the company's present situation, previous years are given different weightings when calculating experience: 50 per cent for the previous year, 33.33 per cent for the second to last year, and

16.66 per cent for the third to last year (WCB 2002).

British Columbia Compensation Plan objectives are as follows:

- develop and implement an occupational health and safety program;
- prioritize first aid and response to injured or ill workers;
- strongly support return to work.

Businesses with lower than average claims are granted rebates, while those that exceed the average are assessed surcharges. Rebates on premiums can range as high as 50 per cent, and surcharges can be as high as 100 per cent of basic premiums. In order to mitigate the impact of surcharges on the viability of a company, the Workers Compensation Board has imposed assessment rate caps. These limits allow for the calculation of a company's experience based on only a fraction of the total for certain claims. One hundred per cent of claims of less than \$70,000 is retained for this calculation, while that proportion drops to 50 per cent for claims of between \$70,000 and \$120,000, and to 10 per cent for those that exceed \$120,000 (WCB 2002). Unpaid surcharges are added at the time of group rate increases. The goal of

these claim ceilings is to avoid over-penalizing employers with only one high cost claim against them.

Alberta Safety Group

The Alberta compensation program is called Partners in Injuries Reduction. Rebates applicable through this program are based on the company being certified as committed to occupational health and safety. These Certificates of Recognition are issued by one of 17 associations promoting workplace safety (WCB 2002).

In 1999, companies participating in this reward program shared rebates totalling \$5.6 million (Wagar 2000). In 2000, 2,496 employers shared nearly \$15.8 million, and in 2001, 3,000 employers shared dividends of \$24.7 million. That same year, 39 Alberta employers were insured through this reward program. Finally, in 2002, the program covered more than 44 per cent of all Alberta worker insurance (WCB 2002).

A company wishing to join Partners in Injuries Reduction must contact the WCB to obtain certification parameters, which vary according to the size of the company. Organizations participating in the program post injury rates fully 15 per cent lower than other businesses. The Certificate of

Recognition must be obtained before any program rebates may be awarded. During the year in which the Certificate is first obtained and maintained, the business is offered a 5 per cent rebate on its premiums. Furthermore, employers who reduce their claims costs in comparison with their previous experience may obtain further reductions of 20 per cent. If the company succeeds in maintaining its level at less than 50 per cent of that of its respective industry classification average for two consecutive years, it is offered rebates exceeding 20 per cent of its insurance premiums. There are no penalties for poor performers. The aim of the WCB is to reduce the rate of workplace injuries by 40 per cent by 2004 (WCB 2002).

Ontario Safety Groups

Ontario safety groups are very similar in their workings to those of Quebec. However, two types of groups are identifiable: safety groups and the Safe Communities Incentive Program.

Safety Groups

Much the same as their Quebec counterparts, Ontario groups are organized with the aim of profiting from gains from assessments. To allow businesses to band together, the Workplace Safety and Insurance Board of Ontario (WSIB) imposes certain conditions.

First of all, group assessments must reach a minimal rate of \$250,000 and count at least 40 companies. Each company must be in good standing with the Board, be a member of the group for at least one full year, and contribute to only one group at a time. Furthermore, a law regulating group members' performance states that at least 25 per cent of employers must post a poor performance with regard to occupational health and safety. The objective of these groups is to reduce the frequency of injuries and accidents. The conditions for creating these groups encourage employers with good performances to mentor those with poorer performances (eLCOSH 2000).

"Each safety group has a sponsor. Sponsors can be from trade or health and safety associations or an outside consultant. The sponsor's role is to oversee the group and regularly report progress to the Workplace Safety and Insurance Board. The Board will support each safety group by providing it with information, facilitation and links to resources (WSIB 2001)."

The groups must submit to an assessment plan in order to determine their performance level with regard to occupational health and safety. The Board provides group manag-

ers with the information tools necessary to determine goal and evaluate performances of group entities. It will thus offer customized training in order to allow employers to adopt a safety profile, to identify the causes of injury, and will support the development and implementation of occupational health and safety programs (eLCOSH 2000). Furthermore, the group strongly encourages the sharing of best work practices and cooperation in the prevention of accidents. It thus permits an increased financial stability for businesses while reducing claim-related costs.

The program offers two types of gains or cost opportunities. First, companies will continue receiving reimbursements or being assessed surcharges in accordance with their regular experience rating program (the types of programs are the following: NEER, CAD-7 or PRM) based on their individual results. They will then be able to benefit from an additional rebate in accordance with the safety groups program. Second, it is said that adherence to a safety group offers a competitive edge in the area of employer image and reputation and contributes to increased production through employee awareness (WSIB 2001).

Safe Communities Incentive Program

This second type of group offered by the Workplace Safety and Insurance Board of Ontario is aimed primarily at accommodating small groups of businesses paying \$90,000 or less in assessments. Participation in this kind of group may be in addition to any other incentive program except the aforementioned safety group plan. In order to be eligible for this program, future members must first register with the Board, complete health and safety awareness training, and be registered in a community with the Safe Communities Incentive Program (WSIB 2001). Members of such a group must appoint a local steering committee and each member's health and safety practice must be assessed. Moreover, the group must develop an activity plan, which must be approved by the Safe Communities Incentive Program of Ontario. As described by the Workplace Safety and Insurance Board of Ontario, the advantages of such associations are as follows:

- access to sponsorship and to health and safety training;
- lower annual compensation costs;
- 75 per cent of savings shared between members;

- elimination of penalties for groups not reaching objectives.

Quebec Safety Groups

In 1990, the *Commission de la santé et de la sécurité au travail* (previously known as Quebec's Workmen's Compensation Commission) cancelled its insurance program based on the merit and demerit principles. Since then, it has offered the *régime rétrospectif* [retrospective plan] for large businesses and a customized rate for medium-sized companies. Small companies will henceforth be assessed on a group rate (Beaulieu and Décarie 1997). To understand the differences between these methods for calculating insurance premiums, let us look at how they work.

In 1997, after the enactment of Bill 74 on the use of experience in conjunction with risk in determining an employer's assessment, the *Commission de la santé et de la sécurité au travail* received proposals for the constitution of no less than 122 prevention mutuals. These represented at the time a grand total of 7,664 employers (Héroux 1999) with between 2 and 864 members each (Chauméry 1998).

The regulations pertaining to these mutual associations state only the general objectives. The Commission compels

employers to withhold group assessments over \$4,500, i.e. the minimum amount necessary to take advantage of a customized rate. Members of these associations have the authority to select or exclude any employer (Gamache 1997).

The Retrospective Plan—This method for calculating annual premiums was designed for companies paying annual assessments in excess of \$400,000 (CSST 1999). It reflects the real costs associated with employment injuries that have occurred in the workplace during the assessment year and takes into account the performance of respective businesses. Contrary to the customized or the per-unit plan, this one does not provide for disbursements related to workplace injuries within the company. The rate fluctuates with annual costs associated with workplace injuries (Chauméry 1998). It should be noted that subsidiaries and parent companies may also request to be collectively assessed under the régime rétrospectif even if, discretely, they are not subject to it (Medial 1999).

The Customized Plan—This rate, adjusted to the number of units of an employer's area of activity, takes into account this employer's health and safety outcomes in proportion to its degree of customization

(CSST 1997). This classification considers the size of the company with regard to its annual assessment and insurable earnings. In 2000, the minimum annual assessment required in order to take advantage of the customized plan went from \$18,000 to \$4,500 (CSST 1999). However, a poor performance on the part of an employer subject to this method may result in an assessment rate higher than average for the same area of activity (rate by unit).

Rate by Unit—This method used for calculating annual premiums is well suited to small businesses with assessments of less than \$4,500. Based on complex statistical and actuarial rules, assessments by rate per unit are calculated according to the average costs of workplace injuries for a given sector during the last four years (Chauméry 1998). It is worth noting that the average assessment has only gone down since 1995. This tendency results from investment income surpluses accrued by the *Commission de la santé et de la sécurité au travail* (Théroux 1998).

During phase two of assessment calculation reform, many changes were made to the regulations pertaining to occupational health and safety.

One of these was the extension of the accounting period from three to four years (CSST 1999). This change will, according to certain analysts, give a more accurate picture of future assessment costs (Froment 1999).

As the frequency of accidents in small businesses is relatively low, occupational health and safety performance does not offer sufficient statistical credibility to accurately forecast these rates (Chauméry 1998). Based on an approach valuing health and safety outcomes, small and medium-sized employers demanded for a new regime in which their premiums would better reflect their efforts in this field.

Since employers define the provisions and terms of reference of their association, members of a mutual insurance company have full authority to select or exclude any employer (Gamache 1997). Since the full effect of reductions is felt only after four years of group participation, the exclusion of an employer who has already been admitted could negatively affect group performance in the years to come. In this regard, Chauméry concluded (1998) that "...the poor performance of a member who withdraws at the end of the first year of participation will negatively affect the premiums, for the

next four years, of the remaining group members." As regards the conflict resolution mechanism for mutual members, the Commission de la santé et de la sécurité au travail requires that associations possess such a mechanism but formally refrains from intervening in these matters.

Modifications to the method for apportionment of costs associated with workplace injuries stipulate that disbursements will no longer be considered on a fund basis but rather on a fiscal year basis (Medial 1999). Prior to this change, assessment forecasts aimed at determining rates (based on three years) accounted for paid out benefits (fund basis). When payments are made outside the reporting period, they are not taken into account when determining premiums (Froment 1999). Now, the Commission applies costs to the benefit period they were meant to cover. The fiscal year method allows for a more realistic assessment of injuries reported to the Commission. To avoid putting the financial stability of a company in jeopardy, the Commission has imposed a cap on assessments. Henceforth, this limit will no longer apply to the premium as a whole but rather only to amounts linked to risks (Froment 1999).

According to the new regulations recently adopted, the law defines a prevention mutual group as:

A group of employers whose individual assessments collectively reach the minimum level required in order to fall under the customized rating plan or to increase the degree of customization. Prevention mutual groups are primarily designed to prevent workplace injuries and promote rehabilitation and the return to work of injured workers, with a view to benefit from rates reflecting the efforts of the stakeholders. To be eligible, the mutual association must comprise employers liable to the per unit and customized rates whose total annual assessments amount to at least \$4,500. (Ogilvy Renault 1997)

Since the creation of this group insurance plan, any group wishing to charter a mutual association must advise the *Commission de la santé et de la sécurité au travail* before October 30 of the year preceding the start of its operations. The Commission studies the request and sends a notice that validates the mutual association on December 31 of the same year at the latest (CSST 1997).

Prevention mutual groups can take on various legal shapes to manage their organization. First of all, you have those, founded by a company and chaired by a board of directors representing their members, which have full jurisdiction over the group's internal workings. There are also some groups of businesses with a previously established professional affiliation, such as a local board of trade, which are managed by an internal monitoring committee. Then come the mutual groups managed by a third party, the legal owner of the mutual entity, who may act as an advisor and administrator. Finally, this third party may work with the managing committee, who in this case is vested with the mutual association's legal rights, in order to control the prevention and return to work programs, deal with any claims, and represent the mutual association where any challenge before the *Commission de lésions professionnelles* may arise (Beaulieu and Décarie 1997).

According to some analysts, the reforms brought about by the mutual associations have led to a tightening of benefit claims management (Gamache 1997). Indeed, a growing number of employers have been setting up policies challenging claims that, in their opinion, had a somewhat limited legitimacy

(Mélançon 2001). Nonetheless, if we compare employers that have "mutualized" to those who fall under the retrospective plan, their challenge rate is half that of the latter. To control any attempt to limit mutuals to just a challenge role, the *Commission de la santé et de la sécurité au travail* has implemented a control mechanism regulated by inspector audits. This ensures that the true objectives of mutualized groups are really prevention, rehabilitation and return to work. A mutual association that has not been created with safety objectives in mind will be dissolved and billed for any costs it has incurred, retroactive to the start of its operations, and its assessment will be revised upwards (Gamache 1997).

In 2000, only about 30 employers out of 500 visited by Commission inspectors were excluded from their respective mutual associations for not meeting their own safety program requirements (Mélançon 2001).

Provisions of expected gains are quite different with regard to group performance in the face of a per unit rate. First and foremost, some mutual management groups foresee gains of between 5 and 10 per cent in assessment savings over four years (Groupe AST 2001). Others are expecting more substantial assessment savings,

up to 40 per cent. Certain mutual managers are even announcing rate customizations reaching as high as 100 per cent over a four-year period (Héroux 1999). The variations among these forecasts raise many questions regarding the quantification of expected gains.

American Safety Groups

In the United States, health and safety groups exist in more than 30 States. Among these workers' compensation plans, only Ohio offers a monopolistic workers' compensation program similar to the Workers Compensation Board of Canada (Beaulieu and Décarie 1997). The majority of plans are offered by private sector organizations and their results vary according to the insured groups or industries. Here are some of the main plans.

Texas Safety Group

These groups, formed by same-sector companies, offer rebates on member insurance. The premiums are applied to group savings according to the level of compensation and the rebate can be as high as 10 per cent of the premium (TexasMutual 2001).

Pennsylvania Safety Group

Certain insurers offer tailor-made products for businesses. Since 1983, the Keystone

Insurers Group has offered workers' compensation products to groups of employers from various sectors as well as to non-profit organizations. Acting as an insurer and advisor in group management, the Keystone Group has been engaged in the regulating of compensation claims in order to reduce the incidence of fraud and ensure claim legitimacy. Safety group members share annual dividends of 9 to 25 per cent (Keystone Insurers Group 2002).

Ohio Safety Group

The workers' compensation plan of Ohio sets its safety group assessment rates according to employers' claims history. Any employer wishing to join a group must develop a health and safety action plan with the help of Compensation Board's employer services. Furthermore, companies must participate in a workplace drug use elimination program. Group employers benefit from premium reductions when they develop and implement their occupational health and safety program. These reductions may reach 10 per cent during the first and second years of group participation. A 5 per cent rebate may be obtained in the third year. Over the following years, the group may be offered a 10 per cent reduction for every 15 per cent decrease in the severity of reported accidents and a 5 per

cent reduction for a 15 per cent reduction in the accident frequency. Businesses meeting both objectives are even offered an additional 5 per cent rebate for the current year (Better Workers' Compensation of Ohio State). The groups also offer life, medical, dental and vision insurance clauses. The Ohio Lumbermen's Association has received more than \$24 million in reductions since its inception (Ohio Lumbermen's Association). Safety group reductions or surcharges may be as high as 95 per cent. In 1999, the members under this plan benefited from an average reduction of 60 per cent (Better Workers' Compensation of Ohio State).

New Jersey Safety Group

Safety group members are divided into classes according to the industry they belong to. Besides offering rebates of 5 to 20 per cent on premiums, certain insurers offer a wide array of products such as health security and maintenance plans (drug-free environment, dental, vision, prescription, and life insurance) (Joseph J. Schipsi, Inc.).

Illinois Safety Group

Some safety group insurers in this State have a classification of businesses based on the degree of likelihood of insurance claims. Also, the total payroll covered influences

premium assessment (Illinois Compiled Statutes Annotated 2001).

Idaho Safety Group

The classification of businesses which are members of a safety group is based on their type of business activity and the type of work performed by their employees. The average experience rating is assessed according to the total payroll of the company and its claim costs. A good group performance allows for a reduction of the company's insurance costs through dividends or surcharges, prorated to group gains or losses. Moreover, some insurers such as the Teton Valley Builders' Association offer support for conducting risk analyses and identifying means to set up occupational health and safety programs (Teton Valley Builders' Association).

Florida Safety Group

In order to help small businesses in the automotive sector paying annual premiums of less than \$10,000, the Florida Automotive Industry Association safety group offers an additional 5 per cent rebate on premiums to employers with a good safety management. These reductions may total 12 per cent, and the year end dividend revenues may fall between 2.5 and 30 per cent. This insurance plan allows small companies

to avoid being penalized with a significant increase whenever a particularly costly accident occurs (Florida Automotive Industry Association).

The Preferred Employers Group is an association representing fast food, family-oriented and fine cuisine restaurateurs. It represents about 4,000 members. The industry rate being \$4,800, many restaurateurs' premiums are much higher than the actual compensation costs for their workers. The safety group offers dividends of up to 10 per cent and premium reductions representing half of the average rate for their industry (Preferred Employers Group).

Maryland Safety Group

The Maryland Forestry Workers safety group is insured by Bituminous Insurance Company and is managed by Morgan & Cheves Insurance Group. Each enterprise is insured individually within the group and its basic rate reflects its occupational health and safety merit standing. Dividends are prorated according to the claim and premiums rates which were granted in relation to the group. The group offers annual dividends of nearly 40 per cent (Morgan & Cheves Insurance 1998).

Colorado Safety Group

Many private insurers seek out clients with strong economic prospects to the detriment of smaller businesses. Safety groups accommodate this particular market by allowing firms' experience with occupational health and safety to directly influence their workers' compensation premiums. Furthermore, the use of claims history for the apportionment of dividends allows for a more equitable distribution of safety group revenues. Groups with stronger economic prospects have more power to acquire better services and to control in a very real sense their workers' compensation premiums. The basic terms and conditions require that a company create a safety manual; declare a minimum \$500 deductible per claim; submit a program status report twice a year; comply with the industry professional association's legislation; and have a cumulative total payroll of \$4 million (Moody Insurance Agency). Each group has its own compensation rate and its own internal management policy.

The relative importance of dividends is determined by each group member's claims history. Each company must be involved in an accident and injury reduction program. If a member company fails to demonstrate that its occupational health and safety program

has progressed, exclusion from the group could ensue (Lifland 1997). A 5 per cent reduction is offered to safety group's members (Moody Insurance Agency). In 1997, the workers' compensation insurance authority in Colorado redistributed to its members dividends worth nearly \$77,000, a full 24 per cent of premiums (Lifland 1997). However, where an employer can boast a year accident-free but its group has an overall poor performance, the employer will not receive a dividend. Dividends are distributed according to the claim rate of businesses and the premiums paid to the group.

New York Safety Group

The New York State Insurance Fund offers an inexpensive workers' compensation product. This private insurance plan represents profitless compensation for groups of employers with common risk levels. Members who make an effort in terms of workplace safety and obtain results that allow for reduced assessments are given back part of the monies saved as dividends. Each dollar saved returns to the group by way of direct dividends either to members or to the group's administrative management. Dividends may range between \$54,000 and \$274,000 per year. Furthermore, members are granted rebates of between 25 and 40 per cent on their

insurance plan assessments (Keevily Spero-Whitelaw 2001).

California Safety Group

In this State, safety groups require that each group partner be from the same industry. The Builders' Exchange Compensation Council, a group of businesses from the construction industry, has developed a zero accident program in cooperation with the Construction Industry Institute. This program defines the various objectives that groups in the construction industry should meet (Agarwal and Everett 1997).

The program's objectives are the following:

- commitment, on the part of senior management, to occupational health and safety;
- inclusion of safety in the preparation work of any future project;
- implementation of a training program;
- management of safety with regard to the work of subcontractors;
- better management of files pertaining to the cause of accidents;
- implementation of a drug and alcohol abuse prevention program;
- development of an accident prevention program.

This program has enabled businesses in the construction industry to reduce their rates of reported accidents by 50 per cent and the number of lost days due to injury by 75 per cent. These reductions represent an annual decrease of some 10,000 accidents and savings of around \$350 million (Agarwal and Everett 1997). Furthermore, the groups have contributed to reduce insurance costs related to marketing plans and group servicing. The insurer also benefits from such a system since the group as a whole is responsible for the assessment of its members. This protects the insurer from a company with a particularly high risk of injury which could become incapable of paying an increased assessment. Because they form a group, each member saves up to 10 per cent in assessment costs and pays an average of 50 per cent less on deposits (Agarwal and Everett 1997).

Overall...

Since 1992, more than half of all American States have adopted a legislation aimed at detecting and prosecuting cases of fraud. Potential cheaters, entities most susceptible to give inaccurate information are the following: medical service providers; workers who file a claims for non-work-related injuries, and employers who falsify their payrolls in order to reduce

their assessment. Workers' compensation fraud is estimated to cost more than \$5 billion annually (Agarwal and Everett 1997). Safety groups help reduce the incidence of fraud. Certain group committees see to the evaluation of claims in terms of entitlement.

All in all, American safety groups are similar: they offer private insurance services aimed at grouping employers in order to facilitate risk management and to allow for reduction of costs associated with occupational safety (by way of dividends, reduced assessments or reduced deposits on contracts). Several groups do not limit their services to employee compensation but they also offer community security management (personal insurance) as well as general risk management services (railroad, firearms, car accident). In some instances, American programs have offered reductions of more than 50 per cent, but performance averages somewhere between 15 and 30 per cent (Beaulieu and Décarie 1997).

Economic Theory and Risk Management in Occupational Health and Safety

In both Canada and the United States, all safety groups seem to benefit from cost savings. A

state to state or province to province comparison of gains is difficult since membership conditions and rules governing the apportionment of the savings are very different. This type of partnership, which in many cases is composed of competitors from the same sector, require the joining of efforts and resources with a view to achieving supplementary gains.

However, these partnerships are fraught with informational asymmetries. They are thus vulnerable to strategic behaviour, particularly with regard to a risk of moral hazard in the relationship between members of a group. For example, the principal, his agent or a third party might adopt strategic behaviours based on insider information. The phenomenon of adverse selection (by which the choice of partners is based on the predictability and effectiveness of their projected contributions) is also part of possible strategic behaviours. All these strategies limit potential safety group gains. Certain analysts question the longevity of safety groups whose members' areas of activity vary greatly (Gamache 1997). In these cases, it is particularly difficult for each member to meet the objectives (prevention program) that each member pursues individually.

It is essential to fully understand the dynamics between safety group members and their relationship with the insurer with regard to the management of health and safety risks—and then, through a full description of group members' main strategic behaviours, to understand the existing interactions. The theory of non-cooperative games can, in our opinion, help explain the dynamics of potential strategic behaviours on the part of safety group decision centres. In this way, we will be able to propose guidelines designed to help develop contracts for these groups, to suggest safety group operational procedures, and to propose conflict resolution mechanisms.

Conclusion

An increase in competition has forced companies to consider stricter management of occupational health and safety issues. Insurers (both private and governmental) have thus implemented new experience rating programs that encourage reductions in the number of workplace

injuries, rehabilitation and return to work. As we consider the various types of groups, it becomes apparent that they offer gain structures (dividends, assessment reductions), programs and member selection methods very different from one another.

Self-underwriting safety groups focusing on the management of low-disbursement internal claims are eligible for premium reductions of between 8 and 10 per cent. Since these types of insurance plans are often paired with other types of safety groups, their low revenues are in fact supplemental to other economies of scale.

Safety groups have had a wide array of performance outcomes. Quebec, with its program of *mutuelles de prévention*, proposes substantial gains linked to the efforts put forth by groups of small and medium-sized companies in the field of occupational health and safety. Ontario groups, for their part, offer two insurance products aimed at raising corporate awareness in terms of health

and safety needs. Ontario's safety group program strongly resembles that of Quebec but requires that employers include in their group a minimum of poor performers and that all group members be from the same area of activity. The Safe Communities Incentive Program is aimed at small groups with assessments of less than \$90,000. This rating plan offers members dividends representing 75 per cent of savings obtained by the group. Finally, American safety groups are also very different in their legal structures and their provision of expected gains. New York state suggests gains of between 25 and 40 per cent while California shows savings of about 10 per cent on members' assessments. In summary, more research is needed. A closer look at the operational mechanisms of the groups which have been described will allow for the modelling of their internal dynamics, and the clarification of the many outcomes presented in this documentary analysis of safety groups.

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A DAY to remember

by JULIE ROBILLARD

Communications

Labour Program

Human Resources Development Canada

On April 28th, the Canadian Flag is flown at half-mast on Parliament Hill. This ritual honours the Canadian workers who have died or been injured as a result of workplace accidents. It is the

National Day of Mourning, an occasion to remember Canadian workers, from those who helped build Canada early in her history, to those who continue that legacy today. It is the only day dedicated to commemorating all of those who have died or been injured as a result of workplace accidents.

The significance of National Day of Mourning is not immediately apparent. It is only when we realize that an average of four Canadian workers are killed every working day and every nine seconds someone is injured on the job, that we begin to understand the implications of hazards in the workplace. It is



only when we consider that workplace accidents cost the economy almost \$9.8 billion annually, in direct and indirect costs, that we begin to react.

The statistics and dollar figures, alarming as they are, do not come close to telling the story of pain and suffering caused by occupational accidents. In each case, a whole network of people is affected—children, spouses, parents, friends, and co-workers. You, or someone you know, can be impacted by a workplace accident.

Thirty years ago, the Government of Canada developed occupational safety and health legislation to help improve workplace conditions. Since

then, progress has been made each and every year legislation has contributed greatly to the decrease in workplace accidents. The average number of accidents per 100 employees has decreased progressively since the beginning of the 1990's and has abated from 8.76 to 7.02 in 1999.

By continuing to strive for healthier and safer workplaces, we are paying tribute to those we are commemorating. Education, awareness, and co-operation in the workplace will help us to prevent these sad accidents.

National Day of Mourning focuses our attention on the tragic consequences of workplace hazards and reminds us that we all have a role to play in helping promote safe workplaces for all Canadians.

Globalization and the Canadian Economy

Implications for Labour Markets, Society and the State

JP Surette

Communications, Labour Program
Human Resources Development Canada

The Canadian Workplace Research Network works in partnership with other organizations to sponsor conferences and research related to workplace issues. With the support of Human Resources Development Canada—Labour Program, the Research Network organized and hosted a conference on "Globalization and the Canadian Economy: The Implications for Labour Markets, Society and the State". A broad range of participants were presented with theme-related papers and briefs by leading researchers. This article briefly highlights the compilation of papers presented at this unique forum. The book was edited by Richard Chaykowski, co-chair of Canadian Workplace Research Network and a professor at Queen's University.

"...there has been widespread and growing public concern voiced over the economic and social implications of increasing globalization and economic integration in this hemisphere. This public concern has been expressed to government quite openly and strongly" writes Professor Chaykowski.

The book, *Globalization and the Canadian Economy* examines three related themes through the eyes of academics, policy thinkers, union officials and representatives from the non-governmental sector. The themes are the impact of globalization on national labour markets; the modernization of national administrations to meet new technological needs; and the social dimensions of hemispheric integration.

Various aspects within the publication include:

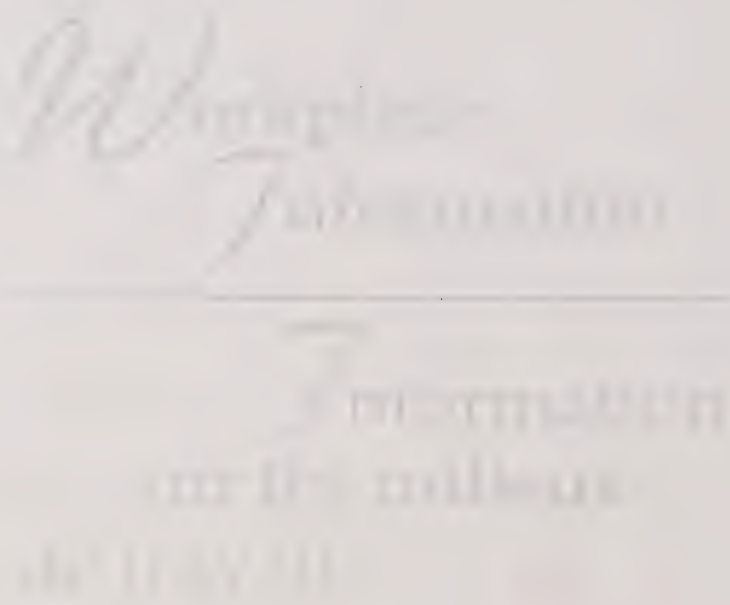
- the contradictions inherent in globalization;
- while globalization has broken down international barriers and brought employment to many, it has also brought along new forms of exploitation;
- the apparent paradox of global markets versus national union policies and agreements. (One author discusses how unions continue to play catch up, looking for ways to coordinate their strategies across larger boundaries.);
- the role of the Government of Canada is also analyzed. Is the dual role of governments (promoting trade agreements while fostering arrangements that help minimize the social costs) the best and only approach?
- could transnationally applied codes of conduct provide the basis for new International Labour Organization conventions, just as collective bargaining agreements in national contexts have provided the basis for labour standards?

By definition, globalization affects everyone. This book includes over a dozen perspectives on core themes under investigation. As a relatively new subject, any discussion of globalization must encompass a wide spectrum of sensitivities, experience and knowledge. Concerning social dimensions, a question is asked about how to facilitate open and constructive dialogue to successfully advance a concept of globalization that is not simply the extrapolation of western values to the entire planet. Regarding the implications of

globalization for labour, one author points out that "labour becomes a source of competitive advantage... because the price of goods and capital are often fixed in international markets. Labour becomes a crucial resource to be optimized, not a cost of production to be minimized."

The publication represents a step in the process of supporting a continuing constructive dialogue on the critical issues that globalization raises for all Canadians.

The Federal Mediation and Conciliation Service has a limited number of copies of this book available for distribution. A copy may be obtained by calling 1-800-563-5677 or by fax at (819) 953-3162. For more information about the Canadian Workplace Research Network please visit www.cwrn-rcmt.org/.



Selection of Recent Changes in Canadian Labour Laws

Adopted Bills, Regulations and Other Statutory Instruments

BY MICHEL GAUVIN, CHARLES PHILIPPE ROCHON and CAROLINE SAUVÉ

*Strategic Policy and International Labour Affairs, Labour Program
Human Resources Development Canada*

Federal: *Order Specifying that the Canadian Forces are a Portion of the Public Sector Employing One Hundred or More Employees for the Purpose of Subsection 4(1) of that Act (Employment Equity Act); SOR/2002-420; Gazetted December 4, 2002*

By virtue of this Order, the Canadian Forces are now covered by the provisions of the *Employment Equity Act*, as adapted by the *Canadian Forces Employment Equity Regulations* described below.

This Order came into force on November 21, 2002.

Federal: *Canadian Forces Employment Equity Regulations under the Employment Equity Act; SOR/2002-421; Gazetted December 4, 2002*

The purpose of the *Canadian Forces Employment Equity Regulations* (CFEER) is to adapt the provisions of the *Employment Equity Act* (EEA) to accommodate the Canadian Forces, taking into account their role, the structure of military occupational groups, and the need for operational effectiveness. They apply in lieu of the *Employment Equity Regulations*.

The Canadian Forces have to comply with the requirements of the EEA, such as collecting workforce information, conducting a workforce analysis, carrying out an employment systems review, and preparing and implementing an employment equity plan. However, the CFEER provide for certain special rules and exceptions.

- The Chief of the Defence Staff, acting within the scope of the powers, duties and functions conferred to him under the *National Defence Act*, is responsible for carrying out the obligations of an employer under the EEA and for the application of the CFEER in relation to the Canadian Forces.
- The EEA and the CFEER do not apply to Canadian Forces members who are serving in the special force.
- Statutory employment equity requirements regarding the Canadian Forces are limited by the obligation to maintain operational effectiveness. Therefore, the CFEER provide that enrolment, re-engagement or promotion within the Canadian Forces is restricted to persons who meet the applicable mental and physical fitness requirements and who can perform their duties. Likewise, the powers of the Canadian Human Rights Commission (the Commission) and of the Employment Equity Review Tribunal (the Tribunal) have been adjusted to ensure that they do not give a direction or make an order that would prejudice the operational effectiveness of the Canadian Forces.
- The CFEER specify that the Commission, including its officers and persons acting on its behalf or under its direction, must take into account, when exercising any powers regarding the application of the EEA, that certain Canadian Forces members may choose not to identify themselves

as a member of a designated group. This recognizes that in the context of mental and physical requirements for military personnel, there may be some reluctance to self-identify as a person with a disability.

- Any person acting on behalf or under the direction of the Commission or the Tribunal, including their members and officers, must satisfy any applicable security requirements as regards access to and use of information received or obtained for the purpose of the EEA. Where these security requirements restrict or limit access to information that is necessary for the application of the EEA or the CFEER, the Chief of the Defence Staff must provide alternate means, consistent with the *National Defence Act*, for the Commission and Tribunal to carry out their responsibilities.
- Requirements of the EEA related to consultation and collaboration with employee representatives have been altered with respect to the Canadian Forces: although the Chief of the Defence Staff is required to establish a mechanism for consulting Canadian Forces members on employment equity matters, there is no obligation to consult "employee representatives", nor to collaborate with them in the preparation, implementation and revision of the employment equity plan.
- Record keeping and reporting obligations have been adjusted to acknowledge the structure of the Canadian Forces and of the various military occupational groups.

These Regulations came into force on November 21, 2002.

Federal: *Order Specifying the Royal Canadian Mounted Police for the Purposes of the Employment Equity Act*; SOR/2002-422; Gazetted December 4, 2002

By virtue of this Order, the Royal Canadian Mounted Police is now covered by the provisions of the *Employment Equity Act* and the *Employment Equity Regulations*.

This Order came into force on November 21, 2002.

Federal: *Regulations Adapting the Employment Equity Act in Respect of the Canadian Security Intelligence Service*; SOR/2002-423; Gazetted December 4, 2002

These Regulations adapt the *Employment Equity Act* (EEA) to accommodate the Canadian Security Intelligence Service (CSIS), taking into account its operational effectiveness and the need to protect national security information. It should be noted that CSIS has been covered by the EEA since the Act came into force in 1995.

The following additional provisions apply to CSIS as well as to the Canadian Human Rights Commission (the Commission) and the Employment Equity Review Tribunal (the Tribunal) in terms of their respective enforcement responsibilities.

- Where conducting a compliance audit of CSIS, a compliance officer may not reproduce or remove documents containing national security information. A compliance officer may only review such documents in a secure room provided by CSIS. He/she may nevertheless take notes and make written summaries containing national security information, but must follow security rules with respect to storage of this information.
- A document prepared by Commission staff in relation to a compliance audit of CSIS—including any report or other document prepared by a compliance officer who reviewed documents containing national security information—may not be disclosed to someone who is not Commission staff or a member of a Tribunal unless first reviewed by the Director of CSIS. Any information deemed by the latter to be national security information must be removed from the document before it can be released. A similar procedure applies where a compliance audit concerning a portion of the public service of Canada or other portion of the public sector covered by the EEA may lead to the disclosure of national security information provided by CSIS.

- A Tribunal formed to deal with an employment equity matter concerning CSIS must notify the CSIS Director before a hearing begins. If the latter determines, after receiving the notice, that the proceedings of the Tribunal are likely to involve national security information, he/she may require that portions of the hearing be held *in camera* and that the Tribunal apply certain security measures. The Regulations specify that *in camera* portions of a hearing must be conducted in a secure room and that persons appearing during these proceedings must satisfy security requirements and take an oath of secrecy. The Regulations also contain provisions pertaining to the storage and examination of exhibits containing national security information. Furthermore, they stipulate that the Tribunal may ask CSIS to prepare, for inclusion in the public record, a summary of the information disclosed during the *in camera* portion of special proceedings, excluding national security information.
- After holding special proceedings (i.e., proceedings involving CSIS likely to entail national security information), the Tribunal must provide the Director of CSIS a copy of its decision 30 days before the date it is intended to be released to any person. The Director must review the decision to determine whether it contains any national security information and notify the Tribunal of his/her determination within a reasonable period. If applicable, the Tribunal must then revise its decision to ensure that no national security information is revealed when it is released.
- Finally, the Regulations provide that a compliance officer must surrender to CSIS all documents containing national security information after certain conditions have been met (e.g., once CSIS has complied with its obligations under the Act). The Tribunal must do the same with respect to documents related to special proceedings.

These Regulations came into force on November 21, 2002.

Alberta: *Occupational Health and Safety Amendment Act, 2002*; Bill 37 Assented to December 4, 2002

Effective December 4, 2002, this Act brought a number of amendments to the *Occupational Health and Safety Act*, the most important of which are described below.

Publication of information about employers

The Minister of Human Resources and Employment may take the following measures to encourage good and discourage bad work site safety records: to establish indices and measurements of work site injury prevention; to maintain a register of the names of employers and their performance, as determined by the Minister, in relation to those indices and measurements; to collect any information needed for that register from another public body that provides such information; and to publish, or to authorize a department or agency of the Government or any other body to publish, the information contained in that register.

Ministerial orders and codes

The Occupational Health and Safety Council has been given the power to make a code of rules (referred to in the Act as an "OHS code") respecting specific health and safety matters for or in connection with occupations and work sites, including the following: reporting requirements and the maintenance and preservation of documents reported; medical and health requirements; joint work site health and safety committees; the making available of codes of practice and other information and documents required by an adopted code; and the instruction, supervision and qualifications of specified persons.

An OHS Code may also provide for the prevalence of specified provisions of an adopted code over other specified provisions of another adopted code, and may provide for any matter or thing which may or is to be provided for by an adopted code under the Act or the regulations.

The Minister may, after consulting with such representatives of employers and of workers in the industries that will be affected by the code as he/she considers appropriate, make an order adopting any code that is made by the Council in accordance with the Act.

An OHS code may itself adopt or incorporate another specific code (referred to as a "secondary code") or part of a secondary code, as it exists at a particular time, dealing with health and safety matters that are within the Council's jurisdiction.

Any provision of regulations or an adopted code may be made to apply generally or to a particular occupation, work site, prime contractor, owner, employer, contractor, supplier or worker or any class of any such category.

Except to the extent that an OHS code or regulations provide(s) otherwise, the provisions of an OHS code prevail over those of a secondary code, and the provisions of regulations prevail over those of an adopted code.

Offences under the Act

A person who contravenes an adopted code, including an OHS code and a secondary code, is guilty of an offence and is liable to the penalties specified in the Act.

In addition, there is an increase in the fines that can be imposed when a person contravenes the Act, the regulations or an adopted code or fails to comply with an enforcement order.

The maximum fine for a first offence has been increased from \$150 000 to \$500 000 and, in the case of a continuing offence, the maximum additional fine has been increased from \$10 000 to \$30 000 for each day during which the offence continues after the first day.

The maximum fine for a second or subsequent offence has been increased from \$300 000 to \$1 000 000 and, in the case of a continuing offence, the maximum additional fine has been increased from

\$20 000 to \$60 000 for each day or part of a day during which the offence continues after the first day.

The maximum additional fine for failing to comply with an order of an officer made under section 10 of the Act (i.e., a stop work order, an order to leave the work site and/or an order to take specified measures to remove a danger or protect persons from it), whether or not the order was modified as a result of an appeal, has been increased from \$300 000 to \$1 000 000.

The maximum fine that may be imposed on a person who knowingly makes any false statement or knowingly gives false information to an officer or a peace officer engaged in an inspection or investigation under the Act has been increased from \$500 to \$1000.

A prosecution under the Act may be commenced within two years (instead of one year previously) after the alleged offence was committed, but not afterwards.

Additional court powers

Where a person is convicted of an offence against the Act, in addition or as an alternative to taking any other action it provides for, the court may, having regard to the nature of the offence and the circumstances of the case, make an order directing the person to establish or to revise the health and safety policy for the work site and the arrangements to implement that policy or a training or educational program regarding the health or safety of workers at the work site. The court may also make an order directing the person to take specific action to improve health and safety at work sites, or any other action specified in the regulations.

British Columbia: Human Right Code Amendment Act, 2002; Bill 64; Assented to October 31, 2002

The contents of Bill 64 are based to a large extent on Bill 53, which was introduced in the Legislature on May 30, 2002 as a basis for public consultations. The latter Bill was subsequently withdrawn.

This Act will bring significant changes to the administration of complaints under the *Human Rights Code*, by abolishing the Human Rights Commission and making the Human Rights Tribunal directly responsible for receiving, mediating and adjudicating cases. The tribunal, however, will not inherit the powers of investigation currently given to the commissioner of investigation and mediation and human rights officers. In fact, provisions regarding the investigation of complaints (sections 23 and 24 of the Code) will be repealed. Furthermore, the Human Rights Advisory Board—whose role is to provide information about the human rights system, serve as a channel for the concerns of the public, and advise the Minister responsible for the *Human Rights Code* on matters relating to the administration of the Code—will also be eliminated.

Following are additional changes of note to the *Human Rights Code*:

- In light of its new responsibilities, the tribunal's powers will be expanded. For instance, it will have the authority to make rules or make an order permitting or requiring that complaints be dealt with through mediation. (A member of the tribunal or a person appointed, engaged or retained by the tribunal is to serve as mediator.) As well, a member or panel of the tribunal will be able to award costs against a party who contravenes a rule or an order of the tribunal. A new provision also specifies that the chair of the Human Rights Tribunal is responsible for the management of the tribunal and for the allocation of work among its members.
- The Minister responsible for the Code will be responsible for public education and information programs and will have the power to conduct research or to carry out consultations relevant to the Code. These responsibilities were previously assigned to the chief commissioner and deputy chief commissioner of the Human Rights Commission.
- Amendments will recognize a new "intervenor" status. A member or panel of the tribunal will have the power to allow a person or group to intervene in a complaint at any time after it is filed, on terms specified by the member or panel. A person or group will not need to be affected by an order of the tribunal to be allowed to intervene. Moreover, the definition of "party" (with respect to a complaint) will be expanded to cover not only the complainant and the person against whom the complaint is made, but also any other person added by the tribunal.
- The time limit for filing a complaint under the Code will be reduced from one year to six months after the alleged contravention. A member or panel of the tribunal will be able to accept all or part of a complaint filed after this time limit, but only if it determines that doing so is in the public interest and that no substantial prejudice will result to any person because of the delay. (Currently, the commissioner of investigation and mediation may accept a complaint if the delay in filing it was "incurred in good faith" and no substantial prejudice will result to any person because of the delay.)
- In addition to other grounds for dismissal, a member or panel of the tribunal will be able to dismiss all or part of a complaint if "there is no reasonable prospect that the complaint will succeed". Unlike what was earlier proposed in Bill 53, the amendments contained in Bill 64 do not provide a procedure for the review of a dismissal.
- Where a complainant withdraws a complaint or a complaint is settled by the parties involved, the tribunal will have to order that the complaint is discontinued.
- Rules regarding evidence will be modified. New provisions will stipulate that "nothing is admissible in evidence before a member or panel that is inadmissible in a court because of a privilege under the law of evidence" and that a "member or panel may direct that all or part of the evidence of a witness be heard in private".
- The tribunal will be responsible for submitting an annual report of its activities to the Minister, a task which is currently assigned to the Human Rights Commission. However, the Code will no longer

expressly require that the annual report include information on the disposition of complaints during the preceding year or information concerning compliance with specified regulations.

These amendments will come into force on a date to be set by the Lieutenant Governor in Council.

British Columbia: Coming into force of certain provisions of the Employment Standards Amendment Act, 2002; O.C. 1005-2002, Gazetted December 18, 2002

Amendments to the *Employment Standards Act*¹ regarding hours of work and overtime, statutory holidays, appeals of determinations and administrative penalties came into force on November 30, 2002.

British Columbia: Amendments to the Employment Standards Regulation; B.C. Reg. 307/2002 under the Employment Standards Act; Order in Council 1005-2002, Gazetted December 18, 2002

This Regulation brought a number of amendments to the *Employment Standards Regulation* (ESR). These amendments pertain to minimum employment standards applicable to certain occupations and industries, record keeping requirements for specified employers and new penalties for contraventions to the Act.

Record Keeping Requirements

The period during which employment agencies, farm labour contractors and talent agencies are required to keep records was reduced from three years to two years. This brought these record keeping requirements in line with those prescribed in the ESA for other employers.

Administrative Penalties

Minimum penalties for violations of the ESA or ESR are now \$500 for a first offence, \$2,500 for a second offence, and \$10,000 for a third offence. Previous penalties ranged from \$0 to \$500 (although a \$5,000 penalty could be imposed for contraventions related to the employment of children in the motion picture, television and television or radio advertising industries).

In contrast to previous penalties, the new fines represent a fixed amount. They are no longer multiplied, for specified contraventions, by the number of employees affected. In addition, the ESR now specifies that penalties can only be imposed when the Director of Employment Standards renders a determination. Therefore, no fines may be levied where a complaint is settled by means of the "Employment Standards Self-Help Kit" or through a mediated settlement agreement. Furthermore, the higher penalties (i.e., \$2,500 and \$10,000) only apply where an employer contravenes the same section of the Act or Regulation, *at the same location* (or involving the same employee), within three years of a previous violation.

Managers

The definition of "manager" was expanded to include persons whose principal employment responsibilities are to direct or supervise non-staff resources.

Employees of High Technology Companies

The ESR now defines a "high technology professional" as "an employee who is primarily engaged in the investigation, analysis, design, development, implementation, operation or management of information systems based on computer and related technologies through the objective application of specialized knowledge and professional judgment".² This definition is broader than the one it replaced.

¹ These amendments, brought by Bill 48, were described in the fall 2002 issue of the Workplace Gazette, Vol. 5, No. 3.

² This definition is identical to the definition of "information technology professional" found in Ontario's *Exemptions, Special Rules and Establishment of Minimum Wage Regulation* (pursuant to the *Employment Standards Act*, 2000).

First, it is based on the nature of work performed rather than specific job titles. Secondly, the ESR no longer stipulates, as it previously did, that an employee must receive stock options or other performance based pay, in addition to regular wages, to be deemed a "high technology professional". As was the case before, high technology professionals are not covered by the ESA's provisions regarding hours of work, overtime and statutory holidays (except for the prohibition on excessive hours).

Employees of a "high technology company" (as defined by the ESR) who are not high technology professionals are no longer excluded, as a whole, from the ESA's overtime and weekly rest provisions. However, special rules apply if they enter into an averaging agreement with their employer; such an agreement is exempted from some of the following ESA requirements: it does not need to specify a daily work schedule; it can provide for a work schedule averaging more than 40 hours per week; and an employee it covers is not entitled to daily overtime pay (although the employee must still be paid at time-and-a-half for any applicable weekly overtime³).

Livestock Brand Inspectors, Taxi Drivers

Livestock brand inspectors and taxi drivers are now entitled to time-and-a-half for hours worked in excess of 120 within a two-week period, compared to double time previously.

Truck Drivers

The overtime rate for long-haul truck drivers was reduced from double to 1 ½ times their regular wage for hours worked in excess of 60 in a week.

New provisions also cover "short-haul truck drivers", defined as persons "employed to drive a truck, usually for a distance within a 160 km radius

from their home terminal". These employees are now entitled to the overtime rate (1 ½ times their regular wage) for hours in excess of nine hours in a day or 45 hours in a week.

Oil and Gas Field Workers

Overtime rates for the oil and gas well drilling and servicing industry have been aligned with the ESA's general rules.

Specified first aid workers, water truck operators, vacuum workers and camp catering workers who are scheduled for a 24 hour shift and whose rest period is interrupted are now entitled, for the greater of either 2 hours or the hours actually worked during the interruption, to 1 ½ times their regular rate if total hours worked or earned on that day are 12 or less. The double rate only applies where total hours worked or earned exceed 12 hours in the day.

Silviculture Workers

Overtime rates for silviculture workers have been aligned with the ESA's general overtime rules.

Instead of paying statutory holiday pay as provided for in the ESA, an employer may still pay a silviculture worker 3.6 per cent of gross earnings on each pay cheque or multiply any applicable piece rate by 1.036. However, to meet the requirements of the ESA, employers no longer have the option of paying a silviculture worker a day's pay, based on average earnings in the previous four weeks, for a statutory holiday not worked nor, if the employee works during the holiday, double the employee's piece rate or regular rate.

In addition, the ESR now stipulates that a silviculture worker must agree in writing before his/her employer can charge him/her a fee for lodging provided.

³ Under an averaging agreement, weekly overtime is payable where an employee's total hours of work during the averaging period exceed an average of 40 hours per week. However, in calculating the total hours of work, only the first 12 hours worked by an employee in each day of the averaging period is to be counted.

Fish Farm Workers

The ESR contains new provisions concerning fish farm workers. The latter, if they work or earn an average of at least 35 hours per week over a period of one to eight weeks specified by the employer before the work begins, are no longer covered by the ESA's overtime and weekly rest period provisions.

An employee who works at a fish farm site on a 24 hour live-in basis is entitled, in every period of 24 hours, to at least 12 hours of rest without pay, including a rest period of eight or more consecutive hours. If a rest period is interrupted, the employee must be paid the greater of two hours or the hours actually worked during the interruption at time-and-a-half, unless more than 12 hours in total were worked or earned on that day, in which case the employee is entitled to the double time rate. Moreover, an employee working on a 24-hour live-in basis must be paid overtime, at the rate of 1 ½ times his/her regular rate, for all hours worked in excess of an average of 40 hours per week (the hours being averaged over a one- to eight-week period specified by the employer before the work begins).

Mining Workers

Under new provisions, the employer of a person who works for a surface mining operation regulated by the *Mines Act* may institute a work schedule consisting of a cycle of four 12-hour work days followed by four days off, repeated over a period of eight consecutive weeks. Overtime is payable at double time for hours worked in excess of 12 in a day, and at the rate of 1 ½ times an employee's regular rate for hours worked in excess of 40 hours per week, averaged over the eight-week period. Such a work schedule, if implemented, exempts the employer and employees it covers from the ESA's overtime and averaging agreement provisions.

Commission Salespersons

Salespersons paid entirely or partly by commission are now excluded from the ESA's overtime and statutory holiday pay provisions if all of the wages they have earned in a pay period (including base pay at straight time and commissions) exceeds the total amount to which they would have been entitled at their base rate (or the minimum wage, if greater) under these provisions. In practice, this means that sales commissions are not deemed to be part of a commission salesperson's regular wage when calculating overtime and statutory holiday pay, but can be added to the employee's base pay to determine whether overtime and holiday pay requirements have been met.

In addition, "high-end" commission salespersons (i.e., persons employed to sell, or sell lease arrangements for, automobiles, trucks, heavy industrial or agricultural equipment, recreation vehicles or campers, or sailing or motor vessels) are no longer covered by the ESA's provisions regarding minimum wage, statutory holidays, and hours of work and overtime (except the prohibition on excessive hours).

Foster Care

A new section of the ESR stipulates that the ESA does not apply to persons who provide foster care in their place of residence, in situations that meet established criteria.

Other Changes

Provisions of the ESR regarding flexible work schedules were deleted. This is a consequential amendment: flexible work schedule provisions in the ESA were repealed by the *Employment Standards Amendment Act, 2002*. The section of the ESR concerning the calculation of pro-rated holiday pay was also removed, since a new formula has been incorporated in the ESA.

Coming into Force

The above changes to the *Employment Standards Regulation* came into effect on November 30, 2002.

Manitoba: The Fire Departments Arbitration Amendment Act; Bill 4 Assented to December 12, 2002

Effective December 12, 2002, this Act has amended *The Fire Departments Arbitration Act* to make the provisions dealing with collective bargaining between firefighters and municipalities apply, with some changes, to collective bargaining between the City of Winnipeg and the bargaining agent representing its paramedics. These provisions prohibit strikes and lockouts. When, three months after notice to bargain was given, any collective agreement between the city and the bargaining agent for paramedics is no longer in effect and a new one has not been concluded, either or both of the parties may apply to the Minister of Labour and Immigration to establish an arbitration board, and the Minister may take such action. The arbitration board attempts to bring about a settlement of the dispute and, if it is unsuccessful, it makes an award that is binding on the parties.

The title of the Act was changed to *The Firefighters and Paramedics Arbitration Act*. Consequential amendments were also made to *The City of Winnipeg Charter* and *The Labour Relations Act*, and an unproclaimed amendment to *The Essential Services Act* passed in 1999 was repealed; its purpose was to extend the application of that Act to the City of Winnipeg, as it pertains to ambulance services.

Northwest Territories: Human Rights Act; Bill 1, Assented to October 30, 2002

The purpose of this new Act is to replace the *Fair Practices Act* and reform human rights legislation in the Northwest Territories. It will expand the list of prohibited grounds of discrimination, establish an independent Human Rights Commission and put in place modern investigative and adjudicative processes for dealing with complaints.

Interpretation and Application

Provisions specify that nothing in the new Act will abrogate or derogate from the protections provided for existing aboriginal and treaty rights by section 35 of the *Constitution Act, 1982*, or adversely affect any right or privilege regarding denominational schools under the *Northwest Territories Act* (Canada).

Prohibited Discrimination

While covering most of the fundamental principles underlying the *Fair Practices Act*, the *Human Rights Act* has a broader scope. In addition to prohibited grounds of discrimination that were previously recognized, it will protect individuals against discrimination based on ethnic origin, gender identity, religion, sexual orientation, social condition, family affiliation, political belief, political association and disability (whether a past or current disability is physical or mental, actual or perceived⁴). It will also protect an individual from discrimination on the basis that he/she has or is believed to have a predisposition to develop a disability. Moreover, the new Act will specify that the category of sex as a prohibited ground of discrimination is deemed to include protection from discrimination on the basis of potential or actual pregnancy. A provision will also stipulate that an intention to discriminate is not necessary to be found guilty of discrimination.

The *Human Rights Act* will prohibit discrimination on the above grounds with respect to employment and terms and conditions of employment, as the *Fair Practices Act* currently does. There will nevertheless be some exceptions: this will not affect, with respect to age and marital status, the operation of any *bona fide* retirement or pension plan, or the terms and conditions of a *bona fide* group or employee insurance plan. Nor will it apply to practices based on *bona fide* occupational requirements, if it can be established that accommodating the needs of an individual or group of individuals would impose undue hardship on an employer. Furthermore, non-

⁴ The Act will also provide a list of diseases and conditions that fall within the definition of disability.

profit organizations, societies and corporations of a charitable, educational, fraternal, religious, social or cultural nature, or operated primarily to foster the welfare of a religious or racial group, will be entitled to give preference in employment to an individual or group of individuals if this preference is solely related to their special objectives. Owners of businesses will also have the right to give preference in employment to members of their family.

New anti-harassment provisions will be added. These will forbid, on the basis of a prohibited ground of discrimination, harassment of any individual or class of individuals in the provision of goods, services, facilities or accommodation, commercial premises or residential accommodation, or in matters related to employment. The new Act will also give a broader definition of harassment—i.e., engaging, with respect to an individual or class of individuals, in a course of vexatious comment or conduct that is known or ought reasonably to be known to be unwelcome by the individual or class of individuals.

Equal Pay

With respect to equal pay provisions, the principle of "equal pay for equal work" will be maintained, but with a broader scope. Hence, no person will be allowed, *on the basis of a prohibited ground of discrimination*, to remunerate an employee at a lower rate than what is paid to other employees in the same establishment who perform, for the same employer, the same or substantially similar work—i.e., work involving the same or substantially similar skills, effort and responsibility and performed under the same or substantially similar conditions. Protection against pay discrimination will therefore no longer apply solely to female employees, but to all categories of employees protected by the *Human Rights Act*. However, it should be noted that paying an employee at a lower rate of pay will be allowed if the difference in the rate is attributable to one of the following: a seniority system; a system that measures earnings by quantity or quality of production or performance; a compensation or hiring system that recognizes the existence of a

labour shortage in respect of the field of work or regional differences in the cost of living; a downgrading, reclassification or demotion process or system; the existence of a temporary rehabilitation or training program; or any other system or factor that is not based on a prohibited ground of discrimination.

Human Rights Commission and Director of Human Rights

As previously mentioned, the new Act will establish an independent Human Rights Commission. This Commission, composed of three to five members appointed by the government on the recommendation of the Legislative Assembly, will be responsible for the application of the Act. This will include promoting human rights and supporting the elimination of discriminatory practices through the development of public information and education programs and the undertaking of research. As part of its functions, it will also be called upon to advise the Legislative Assembly on matters related to the Act and to submit an annual report detailing its activities and the disposition of complaints. The Commission will also be given a number of investigative powers, such as making inquiries, removing records and documents for examination and entering and inspecting premises (although a warrant will be required in certain cases).

The Director of Human Rights, also appointed by the government on the recommendation of the Legislative Assembly, will act as the registrar of complaints filed or initiated under the Act, maintain a public register of decisions and orders made by adjudicators, supervise and direct the work of Commission employees and assistants, oversee the work carried out by community organizations, give the Commission a written report on the status and disposition of complaints every three months and generally carry out the administration of the Act.

It will be possible for complaints to be filed either by an individual (or group of individuals) claiming to be aggrieved because of a contravention to the Act or

by the Commission itself, where it has reasonable grounds for believing that a person has contravened the Act. In both cases, the complaint will normally have to be filed or introduced within two years of the alleged contravention. Once a complaint has been filed or initiated, the Director will be able, under specified conditions, to have it deferred, dismissed, or referred for adjudication. The Act also provides for the settlement of complaints by agreement, through mediation or other means, with the assistance of the Director, a Commission employee or assistant, or a community organization.

Where a complaint is referred for adjudication, an adjudicator will be responsible for conducting a hearing to determine whether or not the complaint has merit in whole or in part. If the adjudicator finds that the complaint has merit, he/she will have the power to order a party against whom the finding was made to cease contravening the Act and to make available to any injured party the rights, opportunities or privileges that were denied contrary to the Act, including reinstatement in employment. The adjudicator will also have the power to order compensation for wages or income lost or expenses incurred because of the contravention as well as payment of an amount for injury to feelings or dignity. Where he/she finds that a party has acted wilfully or maliciously or has repeatedly contravened the Act, the adjudicator could also order payment of exemplary or punitive damages not exceeding \$10,000.

Coming into Force

The *Human Rights Act* will come into effect on a day or days to be fixed by order.

Nunavut: *An Act to Amend the Labour Standards Act*; Bill 21; Assented to December 3, 2002

This Act raised the minimum wage rate in Nunavut to \$8.50 an hour. It also eliminated "sub-minimum" rates that previously applied to employees who work in certain places or communities and to employees

under the age of 16. These changes took effect on March 3, 2003.

Ontario: *Government Efficiency Act, 2002*; Bill 179 Assented to November 26, 2002

This Act brought amendments to many statutes, including the *Labour Relations Act, 1995* and the *Employment Standards Act, 2000*.

The most significant change to the *Labour Relations Act, 1995* was the replacement of sections 150.1 and 150.2 by new sections renewing the special collective bargaining framework for the residential sector of the construction industry in the geographic areas of jurisdiction of the City of Toronto, the Regional Municipalities of Halton, Peel, York and Durham, and the Corporation of the County of Simcoe. These sections provide for the following:

- All collective agreements that are to expire before April 30, 2007 and that apply to residential construction work, in the above-cited areas, are deemed to expire with respect to that work on April 30, 2004. They will expire every three years from that date. Normal collective bargaining procedures remain in place, except as mentioned below.
- For the 2004 round of bargaining only, a strike or lockout will be prohibited after June 15, 2004. If no agreement is reached by that date, the matters in dispute may be referred to binding arbitration by either party. The parties may jointly appoint an arbitrator and agree on a method of arbitration (i.e., mediation-arbitration, final offer selection or any other method). If the parties cannot agree on an arbitrator or on a method of arbitration, at the request of either party, the Minister of Labour will appoint an arbitrator and the method of arbitration will be prescribed by regulation.

Numerous changes, many of them of a technical nature, were also made to the *Employment Standards Act, 2000* (ESA 2000). Their intent is to clarify some provisions as well as to reduce certain administrative requirements for employers.

Vacation and Vacation Pay Requirements

Bill 179 has modified the manner in which entitlement to vacation time is determined in particular circumstances. It has also altered record keeping and vacation pay reporting requirements.

- The ESA 2000 now expressly allows employers to designate an "alternative vacation entitlement year" (i.e., a common vacation anniversary date), whereby employees' vacation time and vacation pay entitlement are calculated on the basis of a recurring 12-month period starting on a date set by their employer. (In contrast, a "standard vacation entitlement year" refers to a 12-month period starting on the first day of employment of an individual employee—which corresponds to the system previously recognized under the ESA 2000.) Where an employee's start date does not coincide with the first day of his/her first alternative vacation entitlement year, the employee is entitled to a pro-rated vacation and vacation pay for the "stub period" (i.e., the period of time between these two dates), to be taken within 10 months after the end of that period.
- Employers no longer have to provide a vacation pay statement each time an employee takes a vacation. Instead, they are required to keep a record of each employee's vacation time and vacation pay entitlements for a period of at least three years. On written request, an employee is entitled to receive this information from his/her employer after the end of a vacation entitlement year or stub period. An employer is not required to provide such information to an employee more than once per vacation entitlement year or stub period.
- When an employee does not take his/her vacation in complete weeks and does not have a regular work week, the number of days of vacation to which he/she is entitled is to be calculated on the basis of the average number of days worked per

week in the most recently completed vacation entitlement year (or stub period, as the case may be). Previously, entitlement was based on the average number of days worked per week in a specified four-month period.

- The limitation period for recovery of unpaid vacation pay has been extended from six months to 12 months.

Public Holidays

Provisions relating to public holiday pay have been clarified to take into account certain situations.

- A new subsection specifies that employees who perform all of the work that they agreed or were required to do on a public holiday, but who fail without reasonable cause to work all of their regularly scheduled day of work preceding or following the public holiday, have to be paid premium pay for hours worked on the public holiday, but are not entitled to public holiday pay or to another day off with pay.
- An employee on a temporary layoff or taking a maternity or parental leave when a public holiday occurs must be paid public holiday pay (if any is due), but is not entitled to a substitute day off work. It should be noted that, under the ESA 2000, public holiday pay must not be less than the amount of wages and vacation pay earned by the employee in the four work weeks preceding the work week in which the public holiday falls, divided by 20.

Termination and Severance of Employment

With respect to termination and severance of employment, the ESA 2000 now prescribes what is deemed to be a week of layoff for employees who do not have a regular work week. It also indicates how weeks in which an employee is unable to work for various reasons should be taken into account in determining whether or not a layoff is temporary, and what constitutes severance of employment.

- An employee who does not have a regular work week is considered to be laid off for a week if he/she earned, in that week, less than one-half⁵ or one-quarter⁶ the weekly average amount earned in a specified period of 12 consecutive weeks. Where such a period includes an "excluded week",⁷ the "average amount earned" is based on average weekly earnings in the period's non-excluded weeks.
- Moreover, when determining whether or not an employee's layoff is temporary, an excluded week is counted as a week worked. Under the ESA 2000, a temporary layoff is defined as 13 weeks (or less) of layoff in a period of 20 consecutive weeks or, in certain cases, 35 weeks (or less) of layoff in a period of 52 consecutive weeks.
- An amendment has clarified that severance of employment occurs when an employer is unable to continue employing an employee.
- In addition to its other regulatory powers, the Lieutenant Governor in Council can now make a regulation providing that certain payments to an employee (e.g., pension and insurance benefits, bonuses, or similar arrangements) be taken or not taken into account when determining an employee's entitlement to notice of termination, termination pay or severance pay.
- Furthermore, a new provision specifies that, when an employee's employment ends, the employer is required to provide him/her a statement of wages—including information on termination, severance and vacation pay—no later than the date on which outstanding wages must be paid.

Other – Miscellaneous Provisions

Bill 179 has also modified several other sections of the ESA 2000, including provisions regarding rest periods, averaging agreements and enforcement of the Act.

- With respect to *rest periods*, an amendment has clarified that employees are entitled to 11 *consecutive* hours free from work every day.
- The provision regarding *averaging agreements* (subsection 22(2)) has been clarified. It now stipulates that an employer and an employee may agree to average hours of work over "separate, non-overlapping, contiguous periods" of not more than four *consecutive* weeks each.
- In terms of the ESA 2000's enforcement provisions, amendments have clarified that warrants must be executed between 8 a.m. and 8 p.m. and that, barring an appeal, the deadline for payment of a fine and related fees is 30 days after the day notice of contravention has been *served*. (Previously, payment had to be made within 30 days after the day a notice of contravention had been *issued*.)
- In addition, references to amounts "paid" or "received", as they appeared before in the definition of "regular rate" and various other provisions, have been changed to amounts "earned". This is meant to ensure that employees are not deprived of certain entitlements, such as overtime or severance pay, if their employer fails to pay them all of their wages.
- Finally, Bill 179 contained several transitional provisions and consequential amendments.

⁵ This applies when determining whether employment has been terminated for notice of termination or termination pay purposes.

⁶ This applies when determining whether employment has been severed for severance pay purposes.

⁷ An "excluded week" is defined as a week during which, for one or more days, an employee is not able to work, is not available for work, is subject to a disciplinary suspension or is not provided with work because of a strike or lockout at the place of employment or elsewhere.

The above amendments came into force on November 26, 2002, the day the *Government Efficiency Act, 2002* received Royal Assent.

Quebec: Coming into force of certain provisions of the Act to amend the Labour Code, to establish the Commission des relations du travail and to amend other legislative provisions; O.C.1314-2002, Quebec Official Gazette, Part 2, of November 20, 2002

This order in council set November 25, 2002 as the date of coming into force of the amendments to the *Labour Code* (brought in 2001 by Bill 31)⁸, which had not yet taken effect. However, four aspects of the new provisions of the Code will come into force at a later date or have not yet taken effect.

The new provisions of the Code dealing with the time limits within which the Labour Relations Commission (Commission des relations du travail) will have to render a decision will come into force on September 1, 2003.

Amendments to the *Labour Code* permitting an employee to file a complaint with the Commission, if he/she believes that a certified association of employees representing him/her has acted in bad faith or in an arbitrary or discriminatory manner or has shown serious negligence in respect of the employee, will come into force on January 1, 2004 where the complaint does not pertain to a dismissal or disciplinary sanction. In the meantime, an employee, who is in this situation, can launch an action before the appropriate court.

The new provisions of the Code which empower the Government to issue regulations to fix the minimum amount of union dues to be paid by an employee in order to be considered a member and to determine the information to be included in the application for membership have not come into force.

Similarly, no date has been set for the coming into force of certain amendments to the conditions to be recognized as a member of an employee association. Thus, the requirement that the employee has personally paid as union dues an amount of not less than \$2 within the twelve months preceding a petition for certification or a demand for assessment of the representative character of an association remains unchanged.

Moreover, provisions transferring the powers and responsibilities of the Labour Court and the office of the labour commissioner general to the Labour Relations Commission in relation to the *Act respecting labour standards* and the *Pay Equity Act* also came into force on November 25, 2002.

Quebec: Order 1322-2002 respecting the Journée nationale des Patriotes; Gazetted December 11, 2002

This order designates as "Journée nationale des Patriotes" (National Patriotes' Day) the statutory general holiday that falls on the Monday preceding May 25.

Quebec: An Act to Amend the Act respecting labour standards and other legislative provisions; Bill 143; Assented to December 19, 2002

The *Act to amend the Act respecting labour standards and other legislative provisions* (S.Q., 2002, c. 80), which was passed by the National Assembly on December 19, 2002, is part of a review of minimum labour standards officially launched on May 1, 2002 by Quebec's Minister of Labour. Indeed, this Act is based to a significant extent on the contents of a consultation paper prepared by the Ministry of Labour, entitled "Reviewing Labour Standards: A Collective Challenge". Consultations took place during the spring of 2002 on the basis of this document. It should also be mentioned that many amendments were made to Bill 143 after it was introduced on November 7, 2002.

⁸ Amendments to the province's Labour Code were described in the winter 2001 issue of the Workplace Gazette, Vol. 4, No. 4.

Bill 143 represents the most important labour standards reform in Quebec since 1990. Its provisions focus on three main objectives: extending the application of the *Act respecting labour standards* (R.S.Q., c. N-1.1) (LSA) to more employees, better supporting work-family and work-life balance, and providing greater protection for employees. As a result, the new Act will amend many labour standards.

Scope of the LSA

Amendments will extend the application of the LSA to all domestics, including live-in domestic workers. With a few exceptions (such as standard weekly hours of work and overtime provisions), the LSA's provisions will also apply to all agricultural workers as well as to employees who take care of or provide care to a child or to a sick, handicapped or aged person, in that person's dwelling. Nevertheless, the LSA will not cover sitters whose duties are performed on an occasional basis (unless the work serves to procure profit to the employer) or solely based on the provision of family assistance or community help. The government will also be able to set by regulation, before June 1, 2004, a separate minimum wage for sitters. It will also be possible for such a Regulation to provide for a gradual increase of this minimum wage in order to attain, no later than June 30, 2006, the rate payable to other employees covered by the LSA.

Another amendment will ensure, subject to exemptions concerning certain groups, that the LSA applies to all employees, domiciled or resident in Quebec, who perform work outside Quebec for an employer whose residence, domicile, undertaking, head office or office is in Quebec. Currently, the LSA only covers such employees if they are not entitled to a minimum wage under the law of the jurisdiction where they work.

As is currently the case, provisions regarding absences for family responsibilities (examined later in this summary) will apply to workers in the construction industry and to senior managerial personnel, who are excluded from most of the LSA's

other standards. As for the new psychological harassment provisions, they will apply to all employers and employees.

Psychological harassment

By means of this Act, Quebec will become the first jurisdiction in North America to expressly provide for remedies against psychological harassment in its labour legislation. Indeed, new provisions of the LSA will stipulate that all employees have a right to a workplace free from psychological harassment. In addition, employers will be required to take reasonable action to prevent psychological harassment and, whenever they become aware of such behaviour, to put a stop to it. Psychological harassment is defined as "any vexatious behaviour in the form of repeated and hostile or unwanted conduct, verbal comments, actions or gestures, that affects an employee's dignity or psychological or physical integrity and that results in a harmful work environment for the employee". A single serious incident of such behaviour could also be deemed to be psychological harassment if it has a lasting harmful effect on an employee.

As a general rule, an employee who believes he/she has been a victim of psychological harassment, or a non-profit organization dedicated to the defence of employees' rights acting on behalf and with the consent of one or more employees, will be able to file a written complaint with the Labour Standards Board (*Commission des normes du travail*) (CNT) within 90 days of the last incidence of the offending behaviour. On receipt of a complaint—unless it is frivolous or made in bad faith—the CNT will conduct an inquiry. It will also be able, at any time during the inquiry and with the consent of the parties, to request the Minister of Labour to appoint a mediator for the purpose of trying to reach a settlement. At the employee's request, the CNT will be able to assist and advise him/her during the mediation. Further, if the employee is still bound to the employer by a contract of employment, he/she will be deemed to be at work during the mediation sessions.

If the CNT, following an inquiry and where no settlement has been reached between the parties, agrees to pursue the complaint, it will be able to refer the latter to the Labour Relations Board (*Commission des relations du travail*) (CRT). It will also be possible for the CNT to represent an employee before the CRT. Should the CNT refuse to take action following a complaint, the employee, or an employees' rights organization, could nonetheless make a written request to the CNT to refer the complaint to the CRT.

If it considers that the employee has been a victim of psychological harassment and that the employer has failed to fulfill its legal obligations, the CRT will have to power to render any decision it believes fair and reasonable considering all the circumstances of the matter. In particular, it will be able to order the employer to reinstate the employee, to take the necessary action to put a stop to the harassment, to pay the employee an indemnity for loss of employment or to modify the disciplinary record of the employee who was a victim of psychological harassment. The CRT will also have the power to order an employer to pay the employee an indemnity of up to the amount of wages lost, to pay punitive and moral damages to the employee, and to pay, for a reasonable period of time it determines, for the psychological support needed by the employee; nevertheless, such payments may not be required for a period during which an employee suffers from an employment injury that results from psychological harassment. (An employee in such a situation could be compensated by the Occupational Health and Safety Commission (*Commission de la santé et de la sécurité du travail*)).

Certain provisions of the LSA regarding psychological harassment will be deemed to be an integral part of every collective agreement. An employee who wishes to file a complaint for psychological harassment will have to exercise the recourses provided

for in his/her collective agreement, where applicable. However, parties to a collective agreement will be able to submit a joint application to the Minister of Labour for the appointment of a mediator. Lastly, these provisions will also be deemed to be part of the conditions of employment of employees appointed under the *Public Service Act* (R.S.Q., c. F-3.1.1) who are not governed by a collective agreement.

Protection of employee status

A new section stipulates that an employee "is entitled to retain the status of employee where the changes made by the employer to the mode of operation of the enterprise do not change that status into that of a contractor without employee status". A recourse is also provided for. An employee who disagrees with his/her employer about the consequences of these changes on his/her employee status will be able to file a complaint in writing with the CNT. Following an inquiry, the complaint may be referred to the CRT for it to rule, within 60 days of the filing of the complaint at its offices, on the consequences of the changes on the status of the employee.

Absences for family reasons

Two important changes will be made to current provisions pertaining to absences for obligations related to a child. First, an employee will be allowed to be absent from work not only to take care of a child who is a minor, but also when he/she must fulfil obligations related to the care, health or education of his/her child (regardless of age) or the child of his/her spouse, or because of the state of health of his/her spouse, father, mother, sibling, or a grandparent. Secondly, the maximum number of unpaid days of job-protected absence for family reasons will be increased from five to ten per year. An employee will be required to advise his/her employer of the absence as soon as possible and to take reasonable steps within his/her power to limit the use and duration of such leave.

In addition, a new provision will allow employees who have completed at least three months of uninterrupted service to be absent from work, without pay, for a period of up to 12 weeks over a period of 12 months when they must stay with their child, spouse, spouse's child, father, mother, sibling or grandparent because of a serious illness or a serious accident. It will be possible to extend this period of unpaid absence to 104 weeks where an employee's child, if a minor, has a serious and potentially fatal illness, attested by a medical certificate. An employee will have to advise his/her employer of such an absence as soon as possible and, at the request of the latter, to provide a document justifying the absence. While absent from work, employees will be entitled to maintain their participation in any group insurance and pension plans recognized in their place of employment, as long as they continue to regularly pay their usual contributions (in which case the employer will also have to pay its share of premiums). At the end of an absence, an employer will have to reinstate an employee in his/her regular position, with the same benefits and the wages to which the employee would have been entitled had he/she remained at work. If the position no longer exists, or if the employee would have been affected by dismissals or layoffs were it not for the absence, the employee will retain all rights and benefits to which he/she would have been entitled had he/she been at work (particularly as regards return to work procedures and any applicable compensation).

Finally, with respect to absences owing to a death in the family, employees will be entitled to an additional day off work without pay in the event of the death or funeral of their spouse, child, the child of their spouse, their father, mother, brother or sister. Hence, in such a circumstance, employees will be eligible to take a total of one day off without reduction in pay and four days off without pay.

Absences because of sickness or accident

The period during which an employee may be absent from work without pay, in case of a personal illness or accident, will be increased from 17 to

26 weeks over a period of 12 months (unless provisions of the *Act respecting industrial accidents and occupational diseases* apply to the illness or accident, in which case the LSA does not apply). The employee will have to advise the employer as soon as possible of the absence and the reasons therefor. As is the case for absences owing to serious illnesses or accidents involving family members (see above), employees will be able to maintain certain benefits during their absence and will be entitled to reinstatement in their regular position. However, the LSA will still provide that an employer may dismiss, suspend or transfer an employee if the consequences of the sickness or accident or the repetitive nature of the absences constitute good and sufficient cause in the circumstances. Furthermore, the government will have the power to fix, by regulation, the other benefits an employee may receive during an absence owing to sickness or accident.

Leaves for parental reasons

Bill 143 contains a number of amendments intended to harmonize the LSA's provisions with those of the federal *Employment Insurance Act* and Quebec's *Act respecting parental insurance* (the latter, adopted in 2001, has not yet come into effect). For instance, the LSA will provide for a new unpaid paternity leave of five consecutive weeks. An employee will be entitled to such a leave on the birth of his child. The leave will have to be taken in the period starting the week on which the child is born and ending 52 weeks after that week. At the end of such a leave, an employee will have the right to be reinstated in his regular position.

As is presently provided for in the LSA, an employee will also be entitled to take up to five days off work on the birth or the adoption of a child (the first two days being paid for an employee credited with at least 60 days of uninterrupted service). However, an amendment will extend this right to employees when a termination of pregnancy occurs in or after the twentieth week of pregnancy.

The provisions of the *Regulation respecting labour standards* concerning maternity leave duration will be incorporated in the LSA, with some modifications. For instance, should a maternity leave start on the week of delivery, that week will not be taken into account in calculating the duration of the leave. Additionally, if required due to the state of health of the mother or child, a maternity leave could be extended for a duration indicated in a medical certificate. The current six-week limit for such an extension would therefore be removed. Should a termination of pregnancy occur before the beginning of the 20th week preceding the expected date of birth, the duration of a special maternity leave could exceed three weeks if a medical certificate attests to the need for an extension of the leave. Moreover, a new section will allow an employee, following an agreement with her employer, to suspend her maternity leave for a period during which her child is hospitalized. Lastly, an employee will still be entitled to a special maternity leave when there is a risk of termination of pregnancy or a risk to the health of the mother or the unborn child. Where applicable, the "regular" 18-week maternity leave will be deemed to have started from the beginning of the fourth week (as opposed to the eighth week, as is currently prescribed) preceding the expected date of birth.

Amendments will also bring changes to the LSA's parental leave provisions. On one hand, their scope will be broadened to cover the adoption of a child under 18 years of age who is not the child of the employee's spouse (presently, the adoption of a child who has reached or exceeded the age of compulsory school attendance does not give entitlement to parental leave). On the other hand, as will be the case for absences owing to serious illnesses or accidents in the family (see above), an employee will be able to maintain certain benefits during his/her absence and will have the right to be reinstated in his/her regular position. The government will have the power to determine, by regulation, other benefits that can be maintained during an employee's parental leave and specify circumstances in which a parental leave may terminate 104 weeks after the birth or adoption of a child. A new provision will

also enable an employee, with the employer's consent, to return to work on a part-time basis or intermittently during a parental leave. Lastly, certain additional amendments will prescribe, on the one hand, that a parental leave may start on the earliest in the "week" (as opposed to the "day") of the birth of a newborn or the "week" in which an adopted child is entrusted to the employee and, on the other hand, that notice requirements for parental leave do not apply if the employee must stay with the mother because of her state of health.

Hours of work

The LSA will provide for a new right of refusal related to overtime hours. It will allow employees, in general, to refuse to work more than four hours in excess of their regular daily working hours or more than 14 hours per 24-hour period—whichever is the shortest period—or more than 50 hours per week. An employee whose hours of work are flexible or non-continuous will be allowed to refuse to work more than 12 hours per 24-hour period. For employees working in an isolated area or in the James Bay territory, the right to refuse overtime will apply to hours exceeding 60 per week. There will nevertheless be some exceptions. First, this right of refusal will, in certain cases, be subject to section 53 of the LSA, which concerns the staggering of working hours on a basis other than a weekly basis. Secondly, it will not be possible to exercise this right in defined emergency situations (danger to life, health or safety of workers or of the population; risk of destruction or serious deterioration of property; or other fortuitous events) or if the refusal is inconsistent with the employee's professional code of ethics.

In addition, an employer will be prohibited from dismissing or otherwise taking reprisals against an employee for refusing to work beyond his/her regular hours of work to fulfill obligations related to his/her spouse, child, spouse's child, father, mother, sibling, or a grandparent. Nevertheless, this will only apply where the employee has taken reasonable steps within his/her power to assume those obligations otherwise.

Weekly rest periods

Minimum weekly rest periods will be increased from 24 to 32 consecutive hours. With respect to an agricultural worker, this period could be postponed to the following week, but only with his/her consent.

Statutory general holidays

Bill 143 will make two significant amendments to the LSA's provisions regarding statutory general holidays. On the one hand, it will eliminate the bulk of eligibility requirements: it will no longer be necessary for a statutory general holiday to coincide with the employee's working day or for the latter to have completed 60 days of uninterrupted service to qualify for a statutory general holiday. On the other hand, a new formula will apply to the calculation of the indemnity for a statutory general holiday. Thus, it will normally have to be equivalent to at least 1/20 of wages earned by the employee in the four complete pay weeks preceding the week in which the holiday falls, excluding overtime. However, employees remunerated in whole or in part on a commission basis will be entitled to an indemnity equal to 1/60 of wages earned during the 12 complete weeks of pay preceding the week in which the holiday falls. The indemnity will be calculated in the same way with respect to St. John the Baptist Day under the *National Holiday Act* (R.S.Q., c. F-1.1).

Another amendment will specify certain conditions that must be met when calculating the indemnity of an employee who receives tips and who is covered by a collective agreement or decree.

Annual leave with pay

Two additional paragraphs will be inserted to give more flexibility in determining when an annual leave can be taken. As a result, an employer could allow an employee, at the request of the latter, to take part or all of the annual leave during, rather than after, the reference year. An employer could also agree to defer an employee's annual leave to the following year, if the employee is absent at the end of the 12 months

following the end of the reference year by reason of sickness or accident, or for family or parental matters. Should the annual leave not be deferred, the employer will have to pay to the employee the indemnity to which he/she is entitled.

As is the case with respect to maternity leave, the LSA will prescribe measures to ensure that an annual leave indemnity is not reduced by reason of an absence related to a paternity leave. An employer will also be permitted, in regards to an agricultural worker hired on a daily basis, to pay the annual leave indemnity at the same time as the employee's wages.

Payment of wages (tipped employees)

The LSA will provide that an employer must pay an employee earning tips at least the prescribed minimum wage, regardless of gratuities received. In addition, an employer will not be allowed to require that an employee pay credit card costs related to tips. Also, employers will be prohibited from imposing an arrangement to share gratuities among employees or intervening in any manner in the establishment of a tip-sharing arrangement. To be permitted, such an arrangement will have to result solely from the free and voluntary consent of the employees entitled to gratuities or tips.

Payment of uniform, costs related to the performance of a contract, travel expenses, and costs for training required by the employer

New provisions will prohibit an employer from requiring an employee to pay for special clothing that identifies the latter with the establishment of the employer, or requiring that an employee purchase clothing or accessories that are items in the employer's trade.

Moreover, an employer will not be permitted to require an amount of money from an employee for the purchase, use or maintenance of material, equipment, raw materials or merchandise, if this would result in the employee receiving less than the minimum wage. Nor will an employer be allowed to

require an amount of money from an employee to pay for expenses related to the operations or to mandatory employment-related costs of the enterprise. The LSA will also provide for the reimbursement of reasonable expenses incurred by an employee in relation to travel or training required by the employer. As well, any travel, trial period or training required by the employer will also have to be counted as time worked.

Collective dismissals

Bill 143 will transfer to the LSA the provisions of the *Act respecting manpower vocational training and qualification* pertaining to collective dismissals. It will at the same time modify their content to a certain extent.

- The LSA will specify that a collective dismissal constitutes a termination of employment involving at least 10 employees *of the same establishment* in a period of two consecutive months. Presently, collective dismissal provisions apply to an employer who dismisses employees at one or more establishments in a given region.
- These provisions will not apply to establishments whose activities are seasonal or intermittent or to layoffs for a period of less than six months, as is currently the case. But, under the LSA, they will also exclude employees who have less than three months of uninterrupted service, whose contract for a fixed term or for a specific undertaking expires, or who have committed a serious fault. Employees in the public service will also be excluded.
- The minimum notice period that an employer must give before proceeding with a collective dismissal will now be calculated in weeks rather than months. Thus, the required notice period will be eight weeks for a collective dismissal involving 10 to 99 employees, 12 weeks for a dismissal involving 100 to 299 employees are dismissed, and 16 weeks when a termination concerns 300 employees or more.
- Instead of giving the notice of collective dismissal to the Minister of Labour, an employer will in the future have to send it to the Minister of Employment and Social Solidarity and transmit a copy to the Labour Standards Board as well as to any certified association representing the employees affected by the dismissal. The notice will also have to be posted in a conspicuous and readily accessible place in the establishment concerned.
- An employer that fails to give sufficient notice will be required to pay to each dismissed employee an indemnity equivalent to his/her regular wages, excluding overtime, for a period equal to the difference between the period of notice actually given and the minimum period prescribed by the LSA. This indemnity will have to be paid at the time of the dismissal, six months after the beginning of a layoff of indeterminate length, or once a layoff expected to last less than six months exceeds that period. However, an employee will not be entitled to cumulate this indemnity with the indemnity provided for in cases of individual dismissals (i.e., under section 83 of the LSA): the employee will be entitled to the greater of the two indemnities. Moreover, an employer will not be required to pay an indemnity in case of a superior force or where an unforeseeable event prevents it from giving the required notice for a collective dismissal.
- An employer that does not give sufficient notice will also be liable to a fine of \$1,500 per week or part of a week of failure to comply or late compliance. The fine will have to be paid into the labour market development fund administered by the Ministry of Employment and Social Solidarity.
- During the period of notice, an employer will be entitled to change neither the wages of an employee affected by the collective dismissal nor, where applicable, the group insurance and pension plans recognized in his/her place of employment without the written consent of the employee or the certified association that represents him/her.

- The LSA will specify the mission, composition and financing of "reclassification assistance committees". It will also indicate explicitly that the parties involved (i.e., the employer and the certified association or, should there be no such association, the representatives chosen by the employees affected by the collective dismissal) will be required to collaborate in carrying out the committee's mission. The establishment of a reclassification assistance committee will not be required where a collective dismissal involves less than 50 employees. The Minister of Employment and Social Solidarity, on the conditions he/she determines and after giving the interested parties an opportunity to present observations, will also be able to exempt an employer from part or all of the provisions related to reclassification assistance committees, if the employer offers, to employees affected by a collective dismissal, work reinsertion assistance that meets or surpasses the requirements of the LSA.

Recourse against dismissals not made for good and sufficient cause

The minimum period of uninterrupted service required to be entitled to present a complaint regarding a dismissal not made for good and sufficient cause will be reduced from three to two years. Consequently, this will expand accessibility to such recourse.

It should be noted that a person whose exclusive duty is to take care of or provide care to a child or to a sick, handicapped or aged person, if the Labour Relations Board considers that he/she was dismissed without good and sufficient cause, will only be entitled to an indemnity corresponding to the wages and other benefits he/she would have earned were it not for the dismissal. The same provision will also cover domestic workers; thus, the limit that currently applies to the amount of the indemnity they can receive (i.e., three months of wages and benefits) will be eliminated.

Recourse against prohibited practices

A paragraph will be added to the list of prohibited practices stipulated in the LSA. Its aim will be to protect an employee against dismissal or other forms of reprisal on the ground that the CNT is conducting an inquiry in an establishment of the employer.

In addition, as mentioned earlier under "Hours of Work", employers will be prohibited from taking any reprisals against an employee who refuses to work beyond his/her regular hours of work to fulfill certain family-related obligations.

Furthermore, in addition to prohibiting an employer or its agent from dismissing, suspending, or retiring an employee by reason of age or years of service, the LSA will also forbid discrimination or reprisals against an employee for the same reasons.

Administration of the LSA

Notwithstanding adjustments required because of additional standards and the broader scope of the LSA, the CNT will be given new powers and responsibilities related to the preparation and dissemination of information documents pertaining to the LSA.

Other amendments

Provisions regarding the creation of a special fund to reimburse employees for lost wages in case of their employer's bankruptcy will be removed. It should nevertheless be noted that these provisions, initially adopted in 1979, never came into effect.

In addition, a new provision will be added to the *Act respecting the Ministère du Travail* (R.S.Q., M32.2). As a result, the Minister of Labour will have to conduct or commission studies on changes in conditions of employment in Quebec and make such studies available every five years, in collaboration with the bodies concerned.

Finally, Bill 43 will make a number of consequential amendments to the LSA as well as to other statutes, such as the *Act respecting industrial accidents and occupational diseases* (R.S.Q., c. A-3.001), the *Labour Code* (R.S.Q., c. C27) and the *Act respecting manpower vocational training and qualification* (R.S.Q., c. F5).

Coming into force

Most provisions described above will come into force on May 1, 2003. As for provisions regarding sitters and those pertaining to psychological harassment, they will become effective on June 1, 2004. Finally, provisions related to paternity leave will come into effect on the same date as section 9 ("Paternity benefits") of the *Act* respecting parental insurance (L.Q., 2001, c.9).

This article is based on bills, official gazettes and other pertinent documents received before March 5, 2003

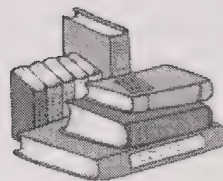
For additional information on recently adopted or proposed changes to Canadian Labour Laws, please visit the Labour Program Web site at

<http://labour-travail.hrdc-drhc.gc.ca>

and click on "Canadian Labour Law Information."

Readers' Corner

Michèle Auger, Fred Longley and Edward Popoff
Departmental Library
Human Resources Development Canada



Integrating People with Disabilities into the Workforce

Bolles, Richard Nelson and Dale Susan Brown. **Job-Hunting for the So-Called Handicapped or People Who Have Disabilities.** 2nd ed. Berkeley, California: Ten Speed Press, 2001.
HRDC HV1568.5 B64 2001

This American book presents creative job hunting techniques designed specifically for people with disabilities. The authors explain the protection provided by the Americans with Disabilities Act as well as what the Act will not do for job seekers with disabilities.

They discuss the fears of the employer and those of the job applicant with a disability, and suggest strategies to overcome these barriers. Appendices include a section on handling special situations, resources for recently disabled persons, and a bibliography.

Gold, Evelyn. **Creating a Successful Skills Training Partnership: Employment Program for People with Disabilities: A Handbook for Project Leaders.** Toronto: Canadian Council on Rehabilitation and Work, c1999.
HRDC CA1 MPY203 99C67

This handbook outlines the Skills Training Partnership model developed by the Canadian Council on Rehabilitation and Work, which is based on the establishment of partnerships with community agencies, service providers, employers, and job seekers with disabilities. It aims to prepare individuals with skills and experience to fill available positions with the employer partner and to help management

and employees develop an understanding of disability-related issues in the workplace. Detailed guidance is given for the establishment of a skills training partnership, design of a training program, outreach and selection of candidates, preparation of the workplace, and continuous quality improvement and project evaluation.

Hagner, David. **Career Advancement: Strategies and Tools: A Guide to Assist Individuals with Disabilities to Advance Beyond Entry-Level Employment.** Syracuse, N.Y.: Program Development Association, c2002.
HRDC HD7255 H33

This manual aims to help individuals with disabilities to advance beyond entry-level employment to more satisfying career levels. Each chapter deals with a different aspect of career advancement and contains one or more worksheets. The chapters can be used

to customize an action plan for career advancement. Topics include assessing job satisfaction; growing on the job; support networks; goals, plans and interests; obtaining experience; and training in a new job.

Leach, Steve. **A Supported Employment Workbook: Individual Profiling and Job Matching.** London, England: Jessica Kingsley Publishers, 2002.
HRDC HD7256 G7 L42

This book brings together best practices in supported employment realized through partnerships among employees, employers and service providers. It emphasizes the principle of self-determination—ensuring that individuals make their own career choices.

This publication examines vocational profiling, job search and marketing, job analysis to match the person's needs and expectations, support review, and progression to unsupported employment. Sample exercises are provided throughout.

Managing Disability in the Workplace: ILO Code of Practice. Geneva: International Labour Office, 2002. ILO Code of Practice Series.
HRDC HD7804 G47

The International Labour Office Code of Practice was developed to guide employers in designing strategies for the management of disability-related issues in the workplace,

especially concerning recruitment, promotion, job retention, return to work, and accommodation.

Martin, James E. et al. **Self-Directed Employment: A Handbook for Transition Teachers and Employment Specialists.** Baltimore, Maryland: P.H. Brookes Publishers, c2002.
HRDC HV1568.5 S44

Based on a decade of research and field-testing, this book offers step-by-step strategies to help people with disabilities make their own employment choices. The authors describe their Self-Directed Supported Employment model, which ensures that the person remains in control, as an active participant, of all

aspects of interest and skills assessment, job search, and evaluation and retention of the job. Detailed advice is offered on guiding individuals through the self-directed process, supplemented by photocopiable forms, sample resumes, and "what-if" tables that address difficult scenarios.

Supported Employment in Business: Expanding the Capacities of Workers with Disabilities. Edited by Paul Wehman. St. Augustine, Florida: Training Resources Network, 2001.

HRDC HD7256 U6 S96

This practical and comprehensive book comprises three major sections: 1) how supported employment works, including a discussion of future directions; 2) applications for specific disability groups; and 3) critical contemporary issues in supported employment, such as

conversion from sheltered work to integrated employment, transition from school to work, and evolution of supported employment to self-employment. Summary tables are used extensively.

Wright, Ruth. **Tapping the Talents of People with Disabilities: A Guide for Employers.** Ottawa: Conference Board of Canada, 2001.

HRDC ZZ CB CA101a O1T17

Developed in partnership with the Ontario Ministry of Citizenship, this guide encourages employers to access a large and underutilized source of Canadian talent: people with disabilities. Change in this area will benefit both those with disabilities and, in a period of looming labour shortages, businesses requiring workers with skills to enhance

productivity. Practical advice focuses on connecting with people with disabilities, recruitment and selection, elimination of barriers, integration through creation of an inclusive workplace culture, and accommodations for individuals with specific disabilities.

NOTES

1. *For other available references in French language only, see the French version of the Workplace Gazette / Gazette du travail.*
2. *Human Resources Development Canada employees can borrow these items from the Departmental Library. Others can borrow them through their own library.*

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YESTERDAY

and

TODAY

by

Sandy Bergeron

Workplace Information Directorate

Labour Program, Human Resources Development Canada

The Effects of the Technological Environment

Fifty Years Ago...

In 1953, following McGill University's 5th Annual Industrial Relations Conference, the *Labour Gazette* published statements made by Professor Robert H. Guest of Yale University, regarding the effects of technology.

In the days of mass production, rigid assembly lines were firmly implemented in several industries. In order to maximize profits, an optimal production rate was determined based on machine speed. The use of technology resulted in excessive task fragmentation whereby, employees carried out a short cycle of operations in the least possible amount of time leading to repetitive work.

At that conference, Professor Guest presented his findings on the effects of technology on the work environment. He stated that the profits generated by businesses adopting mass production came at a significant cost: high employee absenteeism and turnover rates, constant tension on the assembly lines as well as poor product quality. The Professor proposed that joint committees be set up during the planning of technological changes, suggesting that "much can be accomplished through the collective bargaining process to adjust to change." These committees were to move from the practice of adapting the workers to the machines to the opposite by adapting the machines to the workers.

Today...

Businesses operate within an increasingly fierce competitive context. Business production is constantly changing, at both quantitative and qualitative levels. The second national survey on labour organizations and innovations, 2000–2001, provides insights into technology. Close to half (48.2 per cent) of unions report the significant extent of the changes in terms of new technologies while 83.5 per cent report intensification in the rate of technological change. Although 30.8 per cent of the respondents declared that employers were putting greater efforts to involve the union in the process of change, the Workplace Information Directorate's internal data bases show little change. In fact, over the last two decades, there has been very little variation in the presence of joint committees dealing with technological change. Such committees are present in 35 per cent of the manufacturing sector collective agreements, which is the sector where there is the greatest number of assembly lines, compared to 15 per cent for the rest of Canadian industries.

The use of technology facilitates the adaptation of labour to constant production variations. Several organizations try to hire a flexible labour force, able to face the challenges of changing technology, especially within the context of an aging labour force and a shortage of qualified workers.

Flexibility is the key to survival when it comes to new technologies. Businesses essentially try to decrease their production time and manufacture a

better quality product, while the employees aspire to improve their working conditions and to balance work and life demands. This is often addressed through flexible, compressed and short-time work schedules and through telecommuting. Reducing working time often results in the creation of non-standard jobs such as contract or temporary work,

self-employment or the involuntary recourse to part-time work. However, the need for flexibility created by the introduction of new technologies may meet the needs of both the individual and the organization.



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The Workplace Information Directorate is your source for up-to-date, customized information on industrial relations and collective bargaining in Canada.

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Wage Settlements Bulletin

A monthly publication providing the most up-to-date information and analysis of major wage developments in collective bargaining in Canada. The Bulletin is a valuable and recognized reference source providing statistical and analytical information illustrated with useful charts and tables on recent wage developments. The aggregate data and details are published in the following groupings: public and private sectors, regions and jurisdictions, and major industry groups. **Subscription:** Canada, 1-yr: \$220 or 2-yr: \$400 plus 7% GST; other countries, U.S. 1-yr: \$220 or 2-yr: \$400. (Available by e-mail, mail or fax).

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**For further information, contact the
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Workplace Gazette

A quarterly publication providing data on wage adjustments from major collective bargaining settlements in Canada by public and private sectors, by region, by jurisdiction and by major industry; detailed analysis of selected provisions in major agreements; a chronological perspective on work stoppages; and, information on innovative workplace practices resulting from collective bargaining. It also features articles and case studies on pertinent industrial relations matters. **Subscription:** Canada, 1-yr: \$140 or 2-yr: \$250 plus 7% GST; other countries, U.S. 1-yr: \$140 or 2-yr: \$250. (Available by mail only).

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A monthly publication containing timely information based on recently signed major collective agreements in Canada. The publication focuses on summaries of changes to wages and benefits in selected settlements, the status of key negotiations as well as data on work stoppages. Also included is a list containing major settlement reports currently available on the Negotech database. **Subscription:** Canada, 1-yr: \$65 or 2-yr: \$110 plus 7% GST; other countries, U.S. 1-yr: \$65 or 2-yr: \$110. (Available by e-mail and mail).



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Summer 2003

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Catalogue No. L12-22E
ISSN 1480-6886

*The content of this publication has been prepared by members of
the Social Science Employees Association and the Public Service
Alliance of Canada.*

AT A GLANCE

The *Workplace Gazette* presents a wide range of information and analysis to meet the ever-changing needs of the industrial relations community. Its purpose is to provide a sound base for research in support of the bargaining process.

The *Workplace Gazette* includes information and analysis on wage adjustments, collective agreement provisions, innovative workplace practices, work stoppages, upcoming key negotiations and other related topics.

This issue includes first quarter data for 2003 on wage adjustments in major collective agreements, both current and historical, by public and private sectors, by region, by jurisdiction and by major industry. Also, included is a listing of major settlements reached in the first quarter 2003, an overview of selected provisions featuring the clauses linked to technological change and labour reorganization in collective agreements as well as information on work stoppages for the fourth quarter of 2002 and first quarter 2003.

Innovative practices in the workplace resulting from collective bargaining are summarized. A case study features a joint project with the Canadian Auto Workers and the St. Lawrence Seaway concerning work-related stress and absenteeism.

An article by K. McMullen and G. Schellenberg provides an account on skills and training in the non-profit sector. A report by F. Lamontagne summarizes key findings on healthy workplace practices from the Canadian Labour and Business Centre's *Viewpoints 2002* survey. Another article by J. Haiven and L. Haiven covers the dilemma of health strikes within the health sector. Also, an update on fair wages and apprentice tables in the construction industry is provided.

Recent changes in Canadian Labour Laws focus on adopted bills, regulations and other statutory instruments. Yesterday and Today reviews women and leadership.

The Departmental Library is offering reading material related to older workers.

TABLE of CONTENTS

Page

WAGES AND WORK ENVIRONMENT

Major Wage Settlements—First Quarter 2003	7
Major Settlements Reached in the First Quarter 2003	13
Wage Settlements Tables	18
Selected Provisions in Collective Agreements <i>Marie-Ève BÉDARD</i>	28
Work Stoppages	40
Innovative Workplace Practices <i>Bruce ALDRIDGE</i>	45

ARTICLES

• Work-Related Stress and Absenteeism—Canadian Auto Workers and the St. Lawrence Seaway <i>Labour-Management Partnerships Program</i>	49
• Update on Fair Wages and Apprentice Tables <i>Labour Standards, Operations Directorate</i>	58
• Skills and Training in the Non-Profit Sector <i>Kathryn McMULLEN</i> <i>Grant SCHELLENBERG</i>	59
• Viewpoints 2002—Healthy Workplace Practices <i>François LAMONTAGNE</i>	63
• Health Strikes and Emergency Services in Canada—The Dilemma <i>Judy HAIVEN</i> <i>Larry HAIVEN</i>	73

continued on next page

CANADIAN LABOUR LAWS

- Adopted Bills, Regulations and Other Statutory Instruments
Michel GAUVIN
Charles Philippe ROCHON
Annick DELISLE 84

HRDC DEPARTMENTAL LIBRARY—READERS' CORNER

- Older Workers
Michèle AUGER
Fred LONGLEY
Edward POPOFF 95

YESTERDAY AND TODAY

- Women and Leadership
Suzanne PAYETTE 99

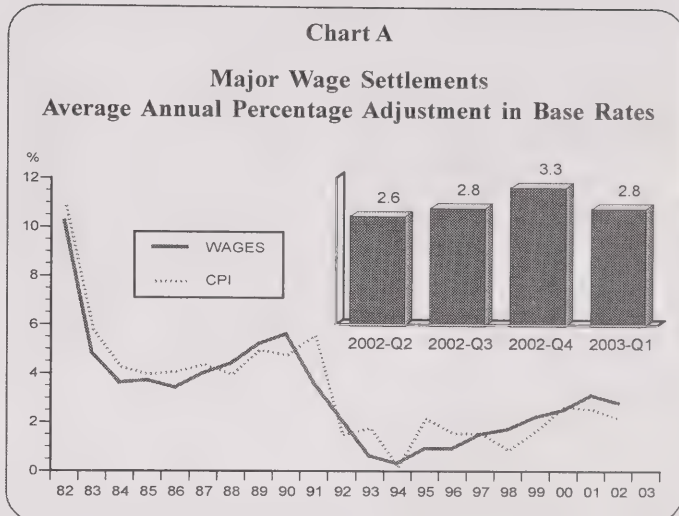
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MAJOR WAGE SETTLEMENTS*

First Quarter 2003

Summary

- In the **first quarter of 2003**, wage adjustments averaged **2.8 per cent**, down from the 3.3 per cent in the previous quarter, but the same average quoted for the year 2002
- The vast majority of settlements were in the **public sector** (62 out of 86 settlements and 75.5 per cent of all employees). The wage adjustments averaged **2.9 per cent** which was above the **private sector** at **2.3 per cent**



- The largest average wage adjustments were reported in the **Prairie Provinces** at **3.4 per cent**, while the smallest was found in the **Federal** jurisdiction at **2.1 per cent**
- Wage adjustments by industry were the highest in the **utilities** sector at **3.9 per cent**, and lowest in the **information and culture** sector at **1.4 per cent**

Overview

Major collective bargaining settlements reached in the **first quarter 2003** provided base-rate wage increases averaging **2.8 per cent** annually over the

contract term. This is down from the 3.3 per cent figure in the previous quarter, but the same average recorded for the year 2002. The first quarter 2003 results are based on a review of 86 settlements reached in the period, with a coverage of 107,980 employees.

When the parties to these settlements previously negotiated (with contract durations averaging 32 months), the resulting wage adjustments averaged 2.5 per cent, compared to the 2.8 per cent in their current round of settlements and a current average contract duration of 31 months.

* Major settlements are those involving bargaining units of 500 or more employees. All wage rate adjustments over the term of these agreements, including those arising from cost-of-living clauses (COLA), are taken into account. The yield of such COLA clauses is estimated on an assumed 2.0 per cent annual increase in the Consumer Price Index.

Wage Distribution

In the first quarter 2003, a very large concentration of employees (49.2 per cent) received wage increases in the 3.0 to 3.9 per cent range. Approximately 11.6 per cent of employees received increases below the 2.0 per cent level and 34.6 per cent of employees received increases in the 2.0 to 2.9 per cent range. A small percentage (4.5 per cent) of employees received increases of 4.0 per cent and over.

Distribution of Agreements and Employees by Size of Wage Adjustments, First Quarter 2003

Adjustment Range	Agreements		Employees	
	Number	Percentage	Number	Percentage
Over 0% to 0.9%	3	3.5	4,910	4.5
1.0% to 1.9%	8	9.3	7,680	7.1
2.0% to 2.9%	33	38.4	37,390	34.6
3.0% to 3.9%	37	43.0	53,140	49.2
4.0% to 4.9%	5	5.8	4,860	4.5
ALL LEVELS	86	100.0	107,980	100.0

Note: Due to rounding, percentages may not always equal 100 per cent.

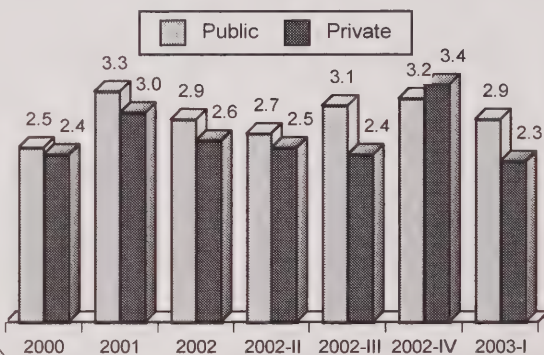
Source: Workplace Information Directorate

Public and Private Sectors

Wage adjustments in the first quarter were largely comprised of public sector settlements (62 of 86 settlements covering 75.5 per cent of all workers). **Public-sector** wage adjustments for 81,490 employees averaged **2.9 per cent**, down from the 3.2 per cent figure reached in the previous quarter, but the same as the average in the year 2002. **Private-sector** wage increases for 26,490 employees in 24 agreements averaged **2.3 per cent**, down from the 3.4 per cent figure recorded in the previous quarter and the 2.6 per cent figure for the year 2002.

Chart B

Major Wage Settlements by Public/Private Sectors Average Annual Percentage Adjustment in Base Rates

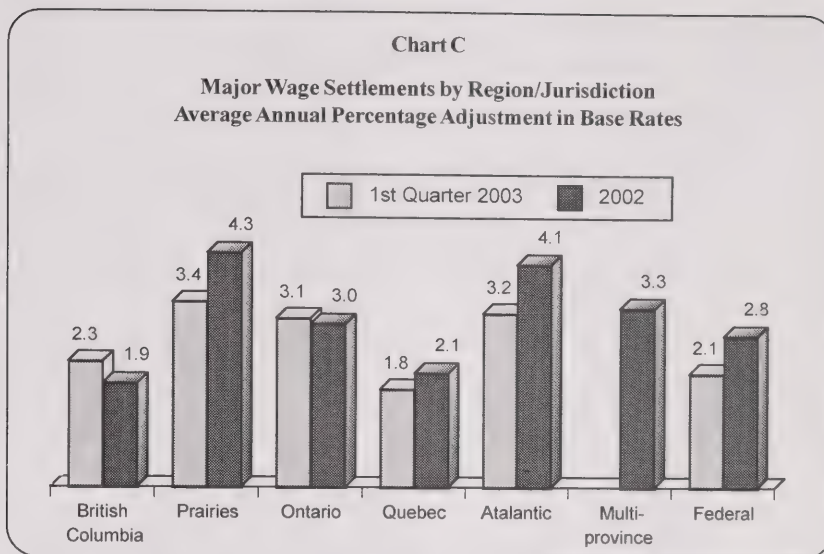


Source: Workplace Information Directorate

Region/Jurisdiction

On a regional/jurisdictional basis, the largest average wage increases were reported in the Prairie Provinces (12 agreements, 18,030 employees) at 3.4 per cent; the smallest in Quebec at 1.8 per cent (9 agreements, 10,210 employees). Wage increases in Ontario settlements averaged

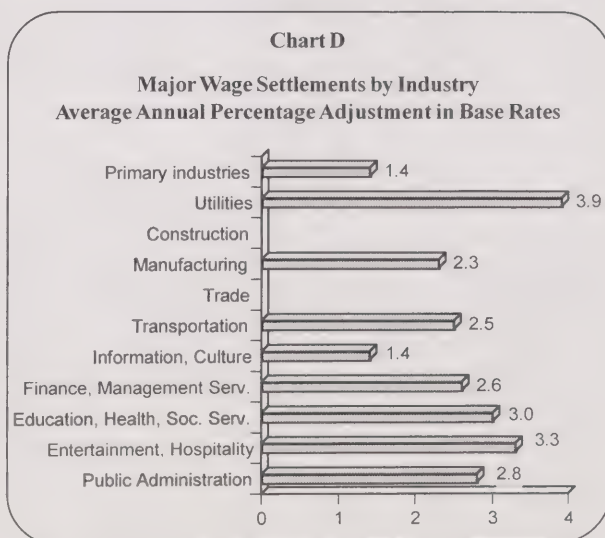
3.1 per cent (36 agreements, 36,810 employees); wage increases in the Atlantic Provinces averaged 3.2 per cent (5 agreements, 15,650 employees); and in British Columbia, 2.3 per cent (15 agreements, 14,500 employees). In the Federal jurisdiction, 9 agreements provided 12,780 employees with an increase averaging 2.1 per cent.



Source: Workplace Information Directorate

Industries

On an industry basis, the largest concentration of agreements (36.4 per cent), and the majority of employees (53 per cent), were in the **education, health and social services** sector, with 69,760 workers in 51 settlements obtaining average wage gains of **3.0 per cent**. Wage increases in this sector ranged from 0.7 per cent for 2,610 lecturers with the University of Montréal, to 4.4 per cent for 840 supply teachers with the Ottawa-Carleton District School Board. The largest industry average was in the **utilities** sector, where only two agreements provided 1,630 employees with wage gains averaging **3.9 per cent**. Wage increases in the remaining industry sectors, in decreasing order were: **entertainment and hospitality** sector at **3.3 per cent**; **public administration** at **2.8 per cent**; **finance, real estate and management services** at **2.6 per cent**; **transportation** at **2.5 per cent**; **manufacturing** at **2.6 per cent**; **primary industries** and the **information and culture** sector, both at **1.4 per cent**.



Source: Workplace Information Directorate

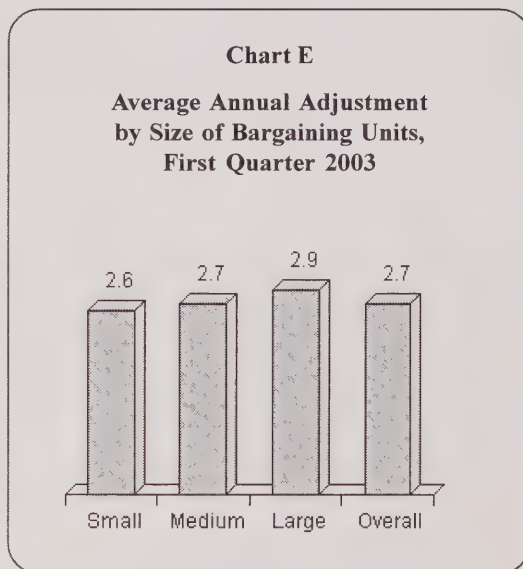
Wage Data for the First Quarter 2003 for Small, Medium and Large Size Bargaining Units

Among the 135 collective bargaining settlements reached in the first quarter of the year 2003, 46 settlements were in small bargaining units (between 100 and 499 employees), 77 were in medium bargaining units (500 to 1,999 employees), and 12 were in large bargaining units with 2,000 employees and over. During this period, the overall base-rate wage adjustment averaged 2.7 per cent. The overall **public sector** wage adjustment at **2.9 per cent** was higher than the figure of **2.2 per cent** reported for the **private sector**.

SMALL bargaining units reported an average increase of **2.6 per cent**. **Public sector** settlements provided an average increase of **2.9 per cent**, higher than the **private sector** wage adjustments of **2.2 per cent**. On an industry basis, the **public administration** sector had the highest wage adjustment at **3.1 per cent** while **primary industries** reported the lowest average at **1.5 per cent**. On a regional/jurisdictional basis, average increases ranged from a high of **4.1 per cent** in the **Prairie Provinces** to a low of **2.1 per cent** in the **Federal** jurisdiction.

MEDIUM bargaining units reported a first quarter average wage increase of **2.7 per cent**. **Public sector** settlements resulted in an average increase of **2.9 per cent**, compared to the **private sector** figure of **2.2 per cent**. On an industry basis, the **utilities sector** had the highest wage adjustment at **3.9 per cent** while **information and culture** reported the lowest average at **1.4 per cent**. On a regional/jurisdictional basis, average increases ranged from a high of **3.4 per cent** in the **Prairie Provinces** to a low of **1.9 per cent** in the **Federal** jurisdiction.

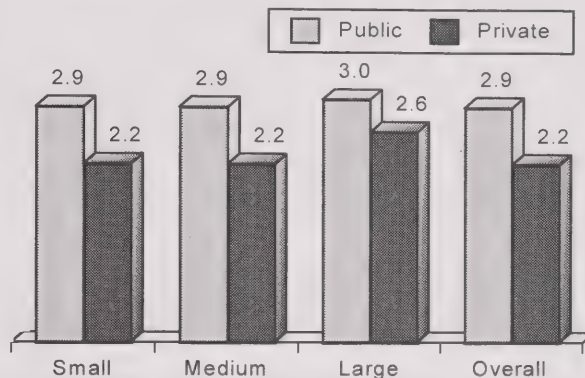
LARGE bargaining units reported a wage increase of **2.9 per cent**. Settlements in the **public sector** resulted in an average increase of **3.0 per cent** compared to **2.6 per cent** in the **private sector**. On an industry basis, **education, health and social services** and the **public administration** sectors had the highest wage adjustment at **3.0 per cent** while the **manufacturing** and **transportation** sectors reported the lowest increase at **2.6 per cent**. On a regional/jurisdictional basis, average increases ranged from a high of **3.3 per cent** in the **Prairies Provinces** to a low of **1.5 per cent** in **Quebec**.



Source: Workplace Information Directorate

Chart F

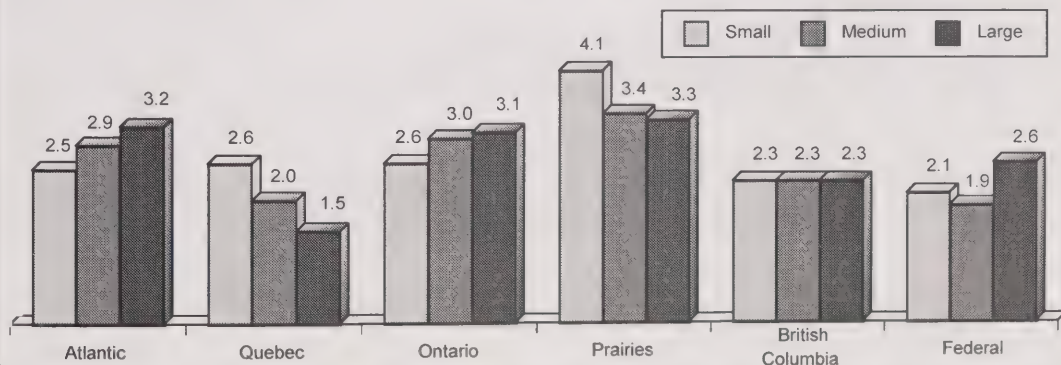
**Annual Average Percentage Adjustment by Size of Bargaining Units,
by Public/Private Sectors,
First Quarter 2003**



Source: Workplace Information Directorate

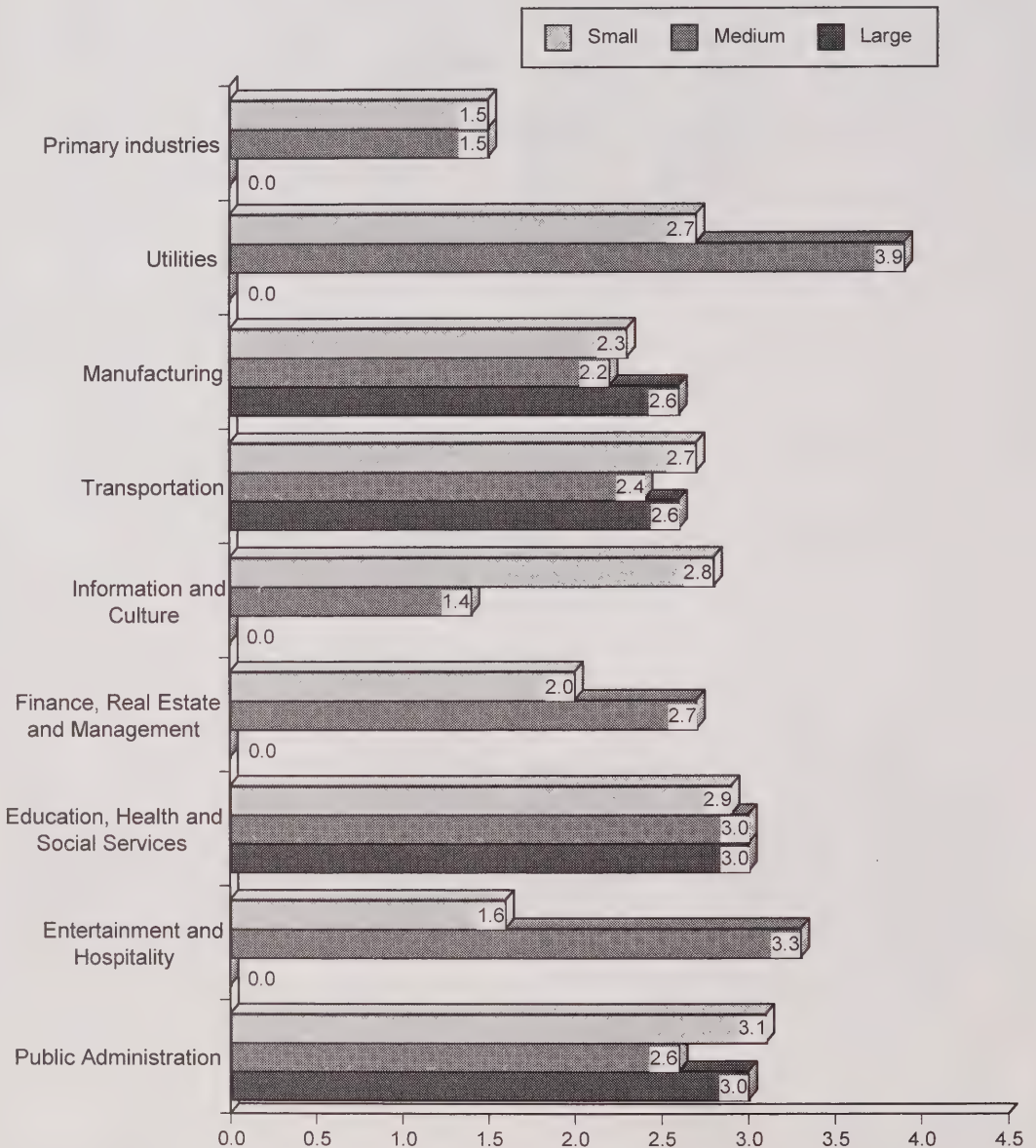
Chart G

**Annual Average Percentage Adjustment by Size of Bargaining Units,
by Region/Jurisdiction,
First Quarter 2003**



Source: Workplace Information Directorate

Chart H
Annual Average Percentage Adjustment
by Size of Bargaining Units, by Industry,
First Quarter 2003



Source: Workplace Information Directorate

Major Settlements Reached in the First Quarter 2003

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Primary (1 agreement)	680	1.4	0.3	36.0	
Hudson Bay Mining and Smelting Co. Limited, mine employees, Flin Flon, Man.	680	1.4*	0.3	36	2005-12-31
Utilities (2 agreements)	1,630	3.9	4.2	24.0	
ATCO Gas, plant and maintenance employees, Edmonton, Alta.	850	3.8	4.3	24	2004-12-31
Epcor Utilities Inc., office and clerical employees, Edmonton, Alta.	780	4.0	4.0	24	2003-12-27
Manufacturing (13 agreements)	13,520	2.3	2.2	36.2	
Alcan Smelters and Chemicals Ltd., hourly-rated employees, Jonquière, Que.	2,350	2.5	2.5	12	2003-12-31
Atlas Specialty Steels, Division of Slater Stainless Corporation, plant and maintenance employees, Welland, Ont.	600	0.9*	2.1	30	2006-09-22
Bombardier Aerospace de Havilland Division, production employees, Downsview, Ont.	1,170	1.2*	0.9	36	2006-06-22
CFM Majestic Products Company, production employees, Mississauga, Ont.	800	2.3	0.0	36	2006-01-08
Cavendish Farms, plant and maintenance employees, New Annan, P.E.I.	640	2.7	3.7	48	2006-12-31
Faurecia Automotive Seating Canada Ltd., production employees, Mississauga, Ont.	500	3.0	4.4	36	2006-05-17
Fishery Products International Limited, plant and maintenance employees, Bonavista, Nfld. and Labrador	2,500	2.7	3.0	27	2005-03-31
Guelph Products Collins and Aikman, production employees, Guelph, Ont.	540	3.9*	3.2	36	2006-01-31
ISpat Sidbec inc., production employees, Contrecoeur, Que.	1,400	1.8*	1.5	72	2009-01-31
Services Drummondville inc., production employees, Drummondville, Que.	740	2.1	1.3	72	2009-02-09
Sterling Trucks, production employees, St. Thomas, Ont.	1,040	2.7	2.5	36	2006-03-08
Walker Exhausts, plant and maintenance employees, Cambridge, Ont.	600	3.1	3.1	36	2006-02-06
Waterloo Furniture Components Ltd., plant and maintenance employees, Kitchener, Ont.	640	1.8	1.0	36	2006-01-31
Transportation (7 agreements)	9,110	2.5	2.2	43.6	
Allied Systems, truck drivers, province-wide, Ont. and Que.	950	1.1*	0.4	36	2005-10-31
British Columbia Maritime Employers Association, longshoremen, B.C. Coast	3,700	2.6	2.7	51	2007-03-31
British Columbia Terminal Elevator Operators' Association, grain elevator employees, Vancouver, B.C.	650	1.3	0.0	60	2005-12-31
City of Ottawa – OC Transpo, bus drivers, Ottawa	1,900	3.0	3.0	36	2005-03-31
Hamilton Street Railway Company, operating employees, Municipality of Hamilton-Wentworth, Ont.	570	3.0	2.0	33	2003-12-31
Loomis Courier Service, Division of Mayne Nickless Transport Inc., couriers, province-wide, Ont.	780	3.0	3.0	36	2005-10-31
Société de transport de Longueuil, bus drivers, Longueuil, Que.	560	2.2*	1.5	36	2005-12-31
Information and Culture (3 agreements)	4,120	1.4	1.4	40.0	
Canadian Broadcasting Corporation, technical employees, Canada-wide (excl. Que. and N.B.)	1,770	2.5	2.5	9	2004-03-31
Groupe TVA inc., broadcast and TV employees, Montréal, Que.	650	1.4*	2.0	72	2005-12-31

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Information and Culture (continued)					
Vidéotron ltée, administrative services employees, Montréal, Que.	1,700	0.3	0.0	60	2006-12-31
Finance, Real Estate, Management Services (1 agreement)					
Manitoba Public Insurance Corporation, office and clerical employees, province-wide, Man.	1,180	2.6	3.0	36.0	
	1,180	2.6*	3.0	36	2005-09-17
Education, Health and Social Services (51 agreements)					
Board of School Trustees of School District No. 23, office and clerical employees, Central Okanagan, B.C.	600	2.4	3.6	18	2003-06-30
Board of School Trustees of School District No. 35, office and clerical employees, Langley, B.C.	570	2.3	3.5	18	2003-06-30
Board of School Trustees of School District No. 36, office and clerical employees, Surrey, B.C.	2,470	2.3	3.5	18	2003-06-30
Board of School Trustees of School District No. 37, office and clerical employees, Delta, B.C.	800	2.3	3.5	18	2003-06-30
Board of School Trustees of School District No. 38, office and clerical employees, Richmond, B.C.	630	2.3	3.5	18	2003-06-30
Board of School Trustees of School District No. 39, office and clerical employees, Vancouver, B.C.	1,540	1.9	2.8	18	2003-06-30
Board of School Trustees of School District No. 41, office and clerical employees, Burnaby, B.C.	1,000	2.3	3.5	18	2003-06-30
Board of School Trustees of School District No. 42, administrative services employees, Maple Ridge-Pitt Meadows, B.C.	510	2.4	3.6	18	2003-06-30
Board of School Trustees of School District No. 43, office and clerical employees, Coquitlam, B.C.	1,090	2.3	3.5	18	2003-06-30
Board of School Trustees of School District No. 44, office and clerical employees, North Vancouver, B.C.	860	2.3	3.5	18	2003-06-30
Board of School Trustees of School District No. 57, office and clerical employees, Prince George, B.C.	1,130	2.3	3.5	18	2003-06-30
Board of School Trustees of School District No. 61, office and clerical employees, Victoria, B.C.	920	2.3	3.5	18	2003-06-30
Board of School Trustees of School District No. 68, office and clerical employees, Nanaimo, B.C.	650	2.7	4.1	18	2003-06-30
Board of School Trustees of School District No. 73, support employees, Kamloops, B.C.	710	2.4	3.6	18	2003-06-30
Calgary Regional Health Authority, non-medical employees, Calgary, Alta.	620	3.3	4.0	36	2005-03-31
Calgary Regional Health Authority, non-medical employees, Calgary, Alta.	650	3.3	4.0	36	2005-03-31
Calgary Regional Health Authority, Foothills and Children's Hospital, health and social care professionals, Calgary, Alta.	2,800	3.5	4.0	24	2004-04-01
Capital Health Authority, non-medical employees, Edmonton, Alta.	2,040	3.5	4.0	24	2004-03-31
Capital Health Authority (Royal Alexandra Hospital), non-medical employees, Edmonton, Alta.	1,050	3.4	4.0	36	2005-03-31
Caritas Health Group (Grey Nuns Hospital and Edmonton General Hospital), non-medical employees, Edmonton, Alta.	760	3.4	4.0	36	2005-03-31
Carleton University, teaching assistants, Ottawa, Ont.	1,200	2.5	3.0	24	2004-08-31

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Education, Health and Social Services (continued)					
Government of New Brunswick, support employees, province-wide, N.B.	1,640	2.3	2.7	48	2006-02-28
Government of Nova Scotia, elementary and secondary teachers, province-wide, N.S.	10,000	3.4	3.5	43	2005-07-31
Hamilton-Wentworth Catholic District School Board, elementary teachers, Hamilton, Ont.	1,200	3.8	4.6	24	2004-08-31
Hastings and Prince Edward District School Board, office and clerical employees, Belleville, Ont.	660	3.0	3.0	24	2004-08-31
Kawartha Pine Ridge District School Board, office employees and technicians, Peterborough, Ont.	1,200	2.9	6.2	36	2005-08-31
Limestone District School Board, elementary teachers, Kingston, Ont.	800	3.2	3.1	24	2004-08-31
McMaster University, teaching assistants, Hamilton, Ont.	1,880	2.6	2.5	28	2004-12-31
Memorial University of Newfoundland, administrative services employees, St. John's, Nfld. and Labrador	870	4.0	2.5	30	2004-03-31
Okanagan Labour Relations Council, office and clerical employees, Revelstoke, B.C.	1,020	2.3	3.5	18	2003-06-30
Ottawa-Carleton Catholic District School Board, occasional teachers, Ottawa, Ont.	840	4.4	3.0	24	2004-08-31
Peel District School Board, custodial, Mississauga, Ont.	840	3.0	3.0	12	2003-08-31
Peel District School Board, office and clerical employees, Mississauga, Ont.	600	3.0	3.0	12	2003-08-31
Peterborough Victoria Northumberland and Clarington Catholic District School Board, support employees, Peterborough, Ont.	500	3.4	4.1	36	2005-08-31
Provincial Health Authorities of Alberta, health service-non-professionals, Lakeland, Alta.	1,000	3.5	4.0	24	2004-03-31
Regional Health Authorities of Manitoba, home care workers, province-wide, Man.	5,500	3.2	3.0	36	2005-03-31
Thames Valley District School Board, secondary teachers, London, Ont.	1,660	4.2	4.2	12	2003-08-30
Trillium Lakelands District School Board, elementary teachers, Lindsay, Ont.	790	3.3	3.7	24	2004-08-31
Université de Sherbrooke, support employees, Sherbrooke, Que.	710	2.0	2.0	12	2003-12-31
Université du Québec à Chicoutimi, lecturers, Chicoutimi, Que.	700	2.0	2.0	12	2003-12-31
University of Guelph, teaching assistants, Guelph, Ont.	860	3.7	3.5	36	2005-08-31
University of Montréal, lecturers, Montréal, Que.	2,610	0.7	2.0	36	2006-08-31
University of Regina, professors, Regina, Sask.	800	3.6	3.5	36	2005-06-30
Upper Grand District School Board, secondary teachers, Guelph, Ont.	710	4.2	4.2	12	2003-08-31
Waterloo Catholic District School Board, elementary teachers, Kitchener, Ont.	930	3.0	3.0	24	2004-08-31
Waterloo Catholic District School Board, secondary teachers, Kitchener, Ont.	520	3.0	3.0	24	2004-08-31
Waterloo Region District School Board, occasional teachers, Kitchener, Ont.	800	3.7	0.0	24	2002-08-31
Waterloo Region District School Board, teaching assistants, Kitchener, Ont.	530	3.0	3.0	12	2003-08-31
York Region District School Board, elementary teachers, Aurora, Ont.	3,580	3.2	3.3	24	2004-08-31
York Region District School Board, occasional teachers, Aurora, Ont.	1,150	3.2	3.3	24	2004-08-31
York Region District School Board, secondary and occasional teachers, Aurora, Ont.	2,260	3.2	3.3	24	2004-08-31
Entertainment and Hospitality (3 agreements)	3,010	3.3	3.5	36.0	
Cara Operations Limited, hotel and restaurant employees, Toronto, Ont.	1,200	3.6	3.5	36	2006-01-14
Maple Leaf Sports and Entertainment Ltd., food service employees, Toronto, Ont.	1,130	3.3	4.0	36	2005-06-30
Woodbine Entertainment Group, racetrack employees, province-wide, Ont.	680	2.7	2.8	36	2005-12-31

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Public Administration (5 agreements)	4,970	2.8	2.4	29.3	
City of Hamilton and Region of Hamilton-Wentworth, inside and outside employees, Hamilton, Ont.	2,010	3.0	2.0	33	2003-12-31
City of Thunder Bay, inside and outside employees, Thunder Bay, Ont.	720	3.0	3.0	36	2005-12-31
Municipal Property Assessment Corporation, administrative and support employees, province-wide, Ont.	1,100	3.0	3.0	36	2005-12-31
Société immobilière du Québec, office and clerical employees, Montréal, Que.	500	2.0	2.0	12	2003-12-31
The Construction Commission of Quebec, office and clerical employees, province-wide, Que.	640	2.0	2.0	12	2003-12-31
Agreements with COLA (9 agreements)	7,730	1.8*	1.6	45.1	
Agreements without COLA (77 agreements)	100,250	2.9	3.1	29.9	
All agreements (86 agreements)	107,980	2.8	3.0	31.0	

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Source: Workplace Information Directorate

*A list of settlements of small bargaining units
(less than 500 employees) for 2002 is available
on the Workplace Information Directorate Website at:*

<http://labour-travail.hrdc-drhc.gc.ca/doc/wid-dimt/eng/>

Negotech

A searchable labour relations database developed and maintained by the Workplace Information Directorate, Human Resources Development Canada, providing timely information on the key aspects of collective bargaining in Canada through:

- settlement reports containing the highlights of important benefit changes including wage adjustments in recently signed collective agreements;
- access to full collective agreement contract language; and
- customized data searches.

**For further information, contact the
Workplace Information Directorate at:**

**1-800-567-6866 or (819) 997-3117
Website: <http://hrdc.gc.ca/labour/nego>**

Table 1
Major Wage Settlements, by Public and Private Sectors,
by Year and Quarter

	Public Sector				Private Sector				All Sectors			
	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.
	(Months)	(000's)	(%)		(Months)	(000's)	(%)		(Months)	(000's)	(%)	
Year												
1983	458	19.6	1,241.6	4.6	200	25.0	302.8	5.5	658	20.6	1,544.3	4.8
1984	276	17.0	635.2	3.9	283	26.1	521.0	3.2	559	21.1	1,156.2	3.6
1985	316	21.7	566.8	3.8	200	30.1	271.8	3.3	516	24.5	838.6	3.7
1986	321	25.3	709.2	3.6	232	26.0	412.2	3.0	553	25.6	1,121.5	3.4
1987	270	29.4	824.3	4.1	208	31.4	287.0	3.8	478	29.9	1,111.3	4.0
1988	301	24.0	698.6	4.0	241	27.2	484.1	5.0	542	25.3	1,182.7	4.4
1989	294	30.0	736.0	5.2	159	28.6	265.8	5.2	453	29.6	1,001.8	5.2
1990	283	27.4	677.8	5.6	224	29.7	468.5	5.7	507	28.4	1,146.4	5.6
1991	365	16.0	1,121.7	3.4	182	29.2	224.0	4.4	547	18.2	1,345.6	3.6
1992	301	21.7	975.9	2.0	195	32.2	330.9	2.6	496	24.3	1,306.8	2.1
1993	347	23.4	1,012.0	0.6	171	25.2	400.5	0.8	518	23.9	1,412.5	0.7
1994	299	26.5	719.8	-0.0	135	34.5	222.8	1.2	434	28.4	942.6	0.3
1995	215	31.5	629.6	0.6	187	35.9	279.2	1.4	402	32.8	908.8	0.9
1996	212	31.7	564.3	0.5	166	34.7	246.1	1.7	378	32.6	810.4	0.9
1997	220	30.3	370.3	1.1	159	38.1	321.9	1.8	379	33.9	692.2	1.5
1998	221	31.1	646.3	1.6	191	33.7	292.0	1.8	412	31.9	938.3	1.7
1999	219	35.0	510.6	2.0	160	38.3	317.6	2.7	379	36.3	828.1	2.2
2000	303	33.6	918.0	2.5	103	42.1	163.3	2.4	406	34.9	1,081.3	2.5
2001	258	31.9	690.3	3.3	167	36.7	299.4	3.0	425	33.4	989.7	3.2
2002	261	25.9	778.6	2.9	108	40.9	213.5	2.6	369	29.1	992.1	2.8
2003 *	62	27.8	81.5	2.9	24	40.8	26.5	2.3	86	31.0	108.0	2.8
* Year to Date												
Quarter												
2000 I	122	39.9	497.4	2.4	30	30.5	39.2	3.0	152	39.2	536.6	2.4
II	58	21.3	208.4	2.5	29	41.1	34.3	2.6	87	24.1	242.7	2.6
III	44	33.5	79.6	2.6	20	52.2	58.8	1.9	64	41.4	138.4	2.3
IV	79	29.3	132.5	3.0	24	38.6	31.0	2.3	103	31.1	163.6	2.9
2001 I	59	29.7	144.3	3.9	20	35.9	34.1	2.5	79	30.8	178.4	3.6
II	88	30.9	200.8	3.0	70	35.6	110.7	3.0	158	32.6	311.5	3.0
III	58	31.2	129.0	3.7	45	36.5	122.1	3.2	103	33.8	251.1	3.5
IV	53	34.9	216.2	3.0	32	41.5	32.5	2.4	85	35.8	248.7	3.0
2002 I	47	34.7	176.0	3.0	18	36.5	33.3	2.1	65	35.0	209.3	2.9
II	105	19.9	406.0	2.7	26	38.0	49.4	2.5	131	21.8	455.3	2.6
III	49	30.9	104.2	3.1	43	45.5	83.1	2.4	92	37.4	187.4	2.8
IV	60	30.0	92.4	3.2	21	39.0	47.7	3.4	81	33.0	140.1	3.3
2003 I	62	27.8	81.5	2.9	24	40.8	26.5	2.3	86	31.0	108.0	2.8
II	-	-	-	-	-	-	-	-	-	-	-	-
III	-	-	-	-	-	-	-	-	-	-	-	-
IV	-	-	-	-	-	-	-	-	-	-	-	-

Agmts. - Number of Agreements
Dur. - Average Agreement Duration
Empls. - Number of Employees
Avg. Adj. - Average Annual Adjustment (%)

Table 2
Effective Wage Adjustment in Base Rates, by Region/Jurisdiction,
by Year and Quarter

	2000	2001	2002	2002			2003
	(%)	(%)	(%)	2	3	4	1
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
All Sectors							
CANADA	2.5	3.2	2.8	2.6	2.8	3.3	2.8
<i>Atlantic</i>	2.6	3.9	4.1	3.9	3.2	2.7	3.2
Newfoundland and Labrador	3.3	5.0	6.6	6.0	-	5.0	3.0
Prince Edward Island	2.2	3.1	4.9	3.2	6.0	-	2.7
Nova Scotia	2.2	3.7	2.4	2.3	2.5	2.5	3.4
New Brunswick	2.8	3.4	2.7	2.3	3.3	2.3	2.3
Quebec	2.4	2.8	2.1	2.1	2.3	2.0	1.8
Ontario	2.6	2.9	3.0	2.8	3.0	3.4	3.1
<i>Prairies</i>	3.9	4.2	4.3	5.4	3.7	3.8	3.4
Manitoba	2.6	2.4	4.0	5.4	3.0	3.2	3.1
Saskatchewan	3.5	2.9	3.9	4.2	3.9	3.8	3.6
Alberta	4.7	5.1	4.9	6.3	4.4	3.9	3.5
British Columbia	1.6	3.1	1.9	1.0	1.4	2.0	2.3
Territories	2.9	3.1	3.0	3.0	-	3.1	-
Multiprovince	2.4	3.2	4.3	-	4.3	-	-
Federal	2.2	3.0	2.8	2.8	2.9	2.8	2.1
Public Sector							
CANADA	2.5	3.3	2.9	2.7	3.1	3.2	2.9
<i>Atlantic</i>	2.9	4.0	4.3	4.1	3.1	3.1	3.3
Newfoundland and Labrador	5.3	5.0	7.2	7.1	-	5.0	4.0
Prince Edward Island	2.2	3.1	4.9	3.2	6.0	-	-
Nova Scotia	2.2	3.8	2.3	2.3	2.1	2.5	3.4
New Brunswick	3.5	3.5	3.0	2.4	3.3	3.2	2.3
Quebec	2.3	2.7	2.0	2.0	3.0	2.2	1.4
Ontario	2.7	3.0	2.9	2.8	2.8	3.0	3.2
<i>Prairies</i>	3.9	4.1	4.8	6.1	3.9	3.9	3.3
Manitoba	2.5	2.4	4.6	6.4	3.0	3.2	3.1
Saskatchewan	3.6	2.9	4.4	5.3	3.9	4.2	3.6
Alberta	4.7	4.9	5.1	6.3	5.0	3.9	3.5
British Columbia	1.4	3.2	2.2	0.2	1.9	-	2.3
Territories	2.9	3.1	3.0	3.0	-	3.1	-
Multiprovince	-	-	-	-	-	-	-
Federal	2.2	3.1	2.9	2.9	2.9	3.4	2.8
Private Sector							
CANADA	2.4	3.0	2.6	2.5	2.4	3.4	2.3
<i>Atlantic</i>	1.7	3.3	2.7	2.7	4.0	0.5	2.7
Newfoundland and Labrador	2.0	-	3.0	3.0	-	-	2.7
Prince Edward Island	-	-	-	-	-	-	2.7
Nova Scotia	1.7	3.3	4.0	-	4.0	-	-
New Brunswick	1.4	3.0	1.4	2.0	-	0.5	-
Quebec	3.3	2.8	2.5	3.3	2.2	1.7	2.2
Ontario	2.3	2.8	3.2	2.4	3.2	4.0	2.6
<i>Prairies</i>	3.9	4.9	1.6	0.8	2.5	1.8	3.8
Manitoba	3.3	2.5	1.3	0.0	2.7	-	-
Saskatchewan	2.0	3.3	1.6	1.6	-	1.8	-
Alberta	5.0	5.5	2.3	-	2.3	-	3.8
British Columbia	2.0	1.7	1.4	1.9	1.3	2.0	-
Territories	-	-	-	-	-	-	-
Multiprovince	2.4	3.2	4.3	-	4.3	-	-
Federal	2.2	2.5	2.6	2.8	3.0	2.7	1.8

Table 3
Number of Agreements and Employees Covered, by Region/Jurisdiction,
by Year and Quarter

	2000		2001		2002	
	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)
All Sectors						
CANADA	406	1,081.3	425	989.7	369	992.1
<i>Atlantic</i>	19	28.5	33	62.9	27	48.2
Newfoundland and Labrador	4	5.0	7	16.1	6	17.7
Prince Edward Island	2	1.3	5	6.7	2	1.7
Nova Scotia	4	11.7	15	19.4	10	16.7
New Brunswick	9	10.4	6	20.6	9	12.2
Quebec	96	345.9	42	110.6	76	304.0
Ontario	150	286.9	181	309.4	140	317.6
<i>Prairies</i>	62	109.3	76	147.8	61	128.4
Manitoba	20	29.7	16	12.8	23	44.6
Saskatchewan	4	14.3	14	41.9	13	34.0
Alberta	38	65.2	46	93.1	25	49.8
British Columbia	38	67.7	34	167.1	33	93.3
Territories	3	5.6	2	2.0	2	3.8
Multiprovince	3	2.8	8	13.8	1	1.0
Federal	35	234.7	49	176.3	29	95.8
Public Sector						
CANADA	303	918.0	258	690.3	261	778.6
<i>Atlantic</i>	10	20.6	25	55.5	22	42.9
Newfoundland and Labrador	3	2.0	7	16.1	5	15.2
Prince Edward Island	2	1.3	5	6.7	2	1.7
Nova Scotia	2	10.6	8	13.3	8	15.6
New Brunswick	3	6.7	5	19.4	7	10.5
Quebec	76	322.0	18	25.8	60	270.3
Ontario	105	212.6	108	187.0	99	225.8
<i>Prairies</i>	58	106.0	55	118.1	49	111.9
Manitoba	19	28.6	9	7.2	17	37.2
Saskatchewan	3	13.8	12	40.6	8	27.9
Alberta	36	63.7	34	70.3	24	46.8
British Columbia	29	41.6	24	157.6	12	60.2
Territories	3	5.6	2	2.0	2	3.8
Multiprovince	-	-	-	-	-	-
Federal	22	209.5	26	144.3	17	63.7
Private Sector						
CANADA	103	163.3	167	299.4	108	213.5
<i>Atlantic</i>	9	7.8	8	7.3	5	5.3
Newfoundland and Labrador	1	3.0	-	-	1	2.5
Prince Edward Island	-	-	-	-	-	-
Nova Scotia	2	1.1	7	6.1	2	1.1
New Brunswick	6	3.7	1	1.2	2	1.7
Quebec	20	23.8	24	84.7	16	33.6
Ontario	45	74.3	73	122.5	41	91.8
<i>Prairies</i>	4	3.2	21	29.7	12	16.6
Manitoba	1	1.1	7	5.7	6	7.4
Saskatchewan	1	0.6	2	1.2	5	6.1
Alberta	2	1.5	12	22.8	1	3.0
British Columbia	9	26.0	10	9.4	21	33.2
Territories	-	-	-	-	-	-
Multiprovince	3	2.8	8	13.8	1	1.0
Federal	13	25.2	23	32.0	12	32.0

Table 3 (continued)

**Number of Agreements and Employees Covered, by Region/Jurisdiction,
by Year and Quarter**

	2002		2003	
	2		1	
	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)
All Sectors				
CANADA	131	455.3	92	187.4
<i>Atlantic</i>	10	22.1	8	8.7
Newfoundland and Labrador	4	9.2	-	-
Prince Edward Island	1	0.6	1	1.0
Nova Scotia	2	8.1	4	4.9
New Brunswick	3	4.2	3	2.8
Quebec	55	266.9	6	14.9
Ontario	35	86.6	37	67.3
<i>Prairies</i>	16	47.6	13	40.2
Manitoba	6	19.5	6	14.8
Saskatchewan	4	12.2	1	12.4
Alberta	6	15.9	6	13.0
British Columbia	6	9.6	20	34.1
Territories	1	3.2	-	-
Multiprovince	-	-	1	1.0
Federal	8	19.4	7	21.2
Public Sector				
CANADA	105	406.0	49	104.2
<i>Atlantic</i>	8	18.6	6	7.6
Newfoundland and Labrador	3	6.7	-	-
Prince Edward Island	1	0.6	1	1.0
Nova Scotia	2	8.1	2	3.8
New Brunswick	2	3.2	3	2.8
Quebec	50	256.4	1	2.8
Ontario	26	78.8	22	31.0
<i>Prairies</i>	13	40.9	9	34.8
Manitoba	5	16.4	3	12.4
Saskatchewan	2	8.7	1	12.4
Alberta	6	15.9	5	10.0
British Columbia	3	4.9	5	7.6
Territories	1	3.2	-	-
Multiprovince	-	-	-	-
Federal	4	3.2	6	20.5
Private Sector				
CANADA	26	49.4	43	83.1
<i>Atlantic</i>	2	3.5	2	1.1
Newfoundland and Labrador	1	2.5	-	-
Prince Edward Island	-	-	-	-
Nova Scotia	-	-	2	1.1
New Brunswick	1	1.0	-	-
Quebec	5	10.6	5	12.1
Ontario	9	7.9	15	36.3
<i>Prairies</i>	3	6.7	4	5.5
Manitoba	1	3.2	3	2.5
Saskatchewan	2	3.5	-	-
Alberta	-	-	1	3.0
British Columbia	3	4.6	15	26.5
Territories	-	-	-	-
Multiprovince	-	-	1	1.0
Federal	4	16.1	1	0.7

Table 4

Effective Wage Adjustment in Base Rates, by Major Industry Division, with and without COLA, by year and Quarter

	Non-COLA Agreements				COLA Agreements				All Agreements			
	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.
	(Months)	(Months)	(000's)	(%)	(Months)	(Months)	(000's)	(%)	(Months)	(Months)	(000's)	(%)
Primary Industries												
2000	1	40.0	0.5	2.0	3	36.0	4.9	1.8	4	36.4	5.5	1.8
2001	4	40.9	3.3	3.1	2	45.5	3.1	2.1	6	43.1	6.4	2.6
2002	1	48.0	0.6	1.5	2	36.0	1.7	1.8	3	39.2	2.4	1.7
2002 II	1	48.0	0.6	1.5	-	-	-	-	1	48.0	0.6	1.5
III	-	-	-	-	2	36.0	1.7	1.8	2	36.0	1.7	1.8
IV	-	-	-	-	-	-	-	-	-	-	-	-
2003 I	-	-	-	-	1	36.0	0.7	1.4	1	36.0	0.7	1.4
Utilities												
2000	14	24.5	25.1	3.5	-	-	-	-	14	24.5	25.1	3.5
2001	10	26.4	12.5	2.6	4	47.0	9.8	2.4	14	35.5	22.3	2.5
2002	13	30.9	17.9	2.4	2	36.0	1.3	3.0	15	31.3	19.1	2.4
2002 II	5	40.1	6.4	0.7	-	-	-	-	5	40.1	6.4	0.7
III	3	34.2	4.1	3.3	-	-	-	-	3	34.2	4.1	3.3
IV	2	30.5	1.3	3.9	2	36.0	1.3	3.0	4	33.2	2.6	3.4
2003 I	2	24.0	1.6	3.9	-	-	-	-	2	24.0	1.6	3.9
Construction												
2000	7	25.2	8.9	3.6	1	48.0	0.5	2.7	8	26.4	9.4	3.6
2001	62	34.8	191.6	3.2	3	60.0	2.5	3.5	65	35.1	194.1	3.2
2002	12	47.4	23.7	1.2	-	-	-	-	12	47.4	23.7	1.2
2002 II	-	-	-	-	-	-	-	-	-	-	-	-
III	12	47.4	23.7	1.2	-	-	-	-	12	47.4	23.7	1.2
IV	-	-	-	-	-	-	-	-	-	-	-	-
2003 I	-	-	-	-	-	-	-	-	-	-	-	-
Manufacturing												
2000	36	33.5	47.4	2.2	17	35.8	21.7	3.6	53	34.2	69.0	2.7
2001	23	46.4	18.7	2.3	27	36.2	26.3	2.8	50	40.4	44.9	2.6
2002	28	41.4	34.2	2.8	20	36.9	56.4	3.8	48	38.6	90.6	3.5
2002 II	9	40.3	15.4	3.1	5	36.0	4.7	2.4	14	39.3	20.1	2.9
III	5	49.6	4.3	2.6	9	37.6	25.2	3.8	14	39.4	29.5	3.6
IV	7	47.4	4.4	2.4	6	36.3	26.6	4.2	13	37.9	30.9	3.9
2003 I	9	31.5	9.8	2.5	4	48.6	3.7	1.8	13	36.2	13.5	2.3
Wholesale and Retail Trade												
2000	12	53.8	33.0	1.9	2	71.4	10.6	1.0	14	58.1	43.6	1.7
2001	6	48.5	4.8	1.6	-	-	-	-	6	48.5	4.8	1.6
2002	16	40.8	38.4	2.0	1	36.0	5.2	1.4	17	40.2	43.6	1.9
2002 II	6	34.4	13.0	2.0	-	-	-	-	6	34.4	13.0	2.0
III	5	49.6	14.3	2.2	-	-	-	-	5	49.6	14.3	2.2
IV	1	36.0	1.2	1.8	-	-	-	-	1	36.0	1.2	1.8
2003 I	-	-	-	-	-	-	-	-	-	-	-	-
Transportation												
2000	14	39.0	41.1	2.7	5	34.3	53.6	2.2	19	36.3	94.7	2.4
2001	26	36.7	36.8	2.7	3	46.8	4.9	3.3	29	37.9	41.7	2.8
2002	10	40.0	26.2	2.7	2	37.7	3.5	3.0	12	39.7	29.7	2.7
2002 II	3	36.0	10.8	2.7	-	-	-	-	3	36.0	10.8	2.7
III	1	36.0	1.1	5.4	-	-	-	-	1	36.0	1.1	5.4
IV	3	45.3	9.8	2.7	-	-	-	-	3	45.3	9.8	2.7
2003 I	5	45.1	7.6	2.7	2	36.0	1.5	1.5	7	43.6	9.1	2.5

Agmts. - Number of Agreements
Dur. - Average Agreement Duration
Empls. - Number of Employees
Avg. Adj. - Average Annual Adjustment (%)

Table 4 (continued)

Effective Wage Adjustment in Base Rates, by Major Industry Division, with and without COLA, by year and Quarter

	Non-COLA Agreements				COLA Agreements				All Agreements			
	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.
	(Months)		(000's)	(%)	(Months)		(000's)	(%)	(Months)		(000's)	(%)
Information and Culture												
2000	8	39.4	10.3	2.9	-	-	-	-	8	39.4	10.3	2.9
2001	6	34.5	8.9	3.2	1	60.0	1.1	3.2	7	37.4	10.1	3.2
2002	8	34.5	22.3	3.1	1	36.0	0.9	2.3	9	34.6	23.2	3.0
2002 II	3	35.7	14.2	3.1	1	36.0	0.9	2.3	4	35.7	15.1	3.1
III	4	31.9	7.1	3.0	-	-	-	-	4	31.9	7.1	3.0
IV	-	-	-	-	-	-	-	-	-	-	-	-
2003 I	2	34.0	3.5	1.4	1	72.0	0.7	1.4	3	40.0	4.1	1.4
Finance, Real Estate and Management Services												
2000	7	35.4	12.0	1.7	1	36.0	1.1	2.8	8	35.4	13.1	1.8
2001	13	37.0	15.6	2.2	-	-	-	-	13	37.0	15.6	2.2
2002	8	55.2	12.6	2.1	-	-	-	-	8	55.2	12.6	2.1
2002 II	1	24.0	0.8	0.0	-	-	-	-	1	24.0	0.8	0.0
III	2	59.0	8.7	1.9	-	-	-	-	2	59.0	8.7	1.9
IV	4	50.9	2.5	3.5	-	-	-	-	4	50.9	2.5	3.5
2003 I	-	-	-	-	1	36.0	1.2	2.6	1	36.0	1.2	2.6
Education, Health and Social Services												
2000	201	38.2	503.6	2.6	1	36.0	0.9	4.7	202	38.2	504.5	2.6
2001	164	28.7	301.8	3.5	5	36.8	101.3	3.4	169	30.7	403.1	3.5
2002	175	23.1	503.4	3.0	3	43.1	2.7	3.6	178	23.2	506.1	3.0
2002 II	79	16.1	270.6	2.8	1	36.0	0.9	2.6	80	16.2	271.5	2.8
III	25	29.3	56.7	3.4	1	36.0	1.0	5.5	26	29.4	57.7	3.4
IV	40	26.2	56.9	3.2	-	-	-	-	40	26.2	56.9	3.2
2003 I	51	27.7	69.8	3.0	-	-	-	-	51	27.7	69.8	3.0
Entertainment and Hospitality												
2000	6	46.2	7.7	3.0	-	-	-	-	6	46.2	7.7	3.0
2001	4	36.0	6.4	4.0	-	-	-	-	4	36.0	6.4	4.0
2002	12	44.3	10.7	2.4	1	36.0	0.6	2.5	13	43.9	11.3	2.4
2002 II	2	46.5	4.0	1.9	-	-	-	-	2	46.5	4.0	1.9
III	7	41.8	4.3	3.3	-	-	-	-	7	41.8	4.3	3.3
IV	2	43.6	1.5	2.2	-	-	-	-	2	43.6	1.5	2.2
2003 I	3	36.0	3.0	3.3	-	-	-	-	3	36.0	3.0	3.3
Public Administration												
2000	69	25.9	293.2	2.3	1	36.0	5.3	2.4	70	26.1	298.5	2.3
2001	56	32.5	204.0	3.1	6	36.0	36.5	3.3	62	33.1	240.6	3.1
2002	52	30.1	227.8	2.6	2	36.0	2.2	2.7	54	30.2	230.0	2.6
2002 II	15	25.5	113.0	2.4	-	-	-	-	15	25.5	113.0	2.4
III	16	32.6	35.3	2.7	-	-	-	-	16	32.6	35.3	2.7
IV	14	34.6	34.7	2.9	-	-	-	-	14	34.6	34.7	2.9
2003 I	5	29.3	5.0	2.8	-	-	-	-	5	29.3	5.0	2.8

Agmts. - Number of Agreements
Dur. - Average Agreement Duration
Empls. - Number of Employees
Avg. Adj. - Average Annual Adjustment (%)

Table 5

**Effective Wage Adjustment in Base Rates, Number of Agreements and Employees Covered,
by year and Quarter**

	2000	2001	2002		2002		2003
				2	3	4	1
All Industries							
Wage Adjustment (%)	2.5	3.2	2.8	2.6	2.8	3.3	2.8
Number of Agreements	406	425	369	131	92	81	86
Number of Employees (000's)	1,081.3	989.7	992.1	455.3	187.4	140.1	108.0
Private Sector							
Wage Adjustment (%)	2.4	3.0	2.6	2.5	2.4	3.4	2.3
Number of Agreements	103	167	108	26	43	21	24
Number of Employees (000's)	163.3	299.4	213.5	49.4	83.1	47.7	26.5
Public Sector							
Wage Adjustment (%)	2.5	3.3	2.9	2.7	3.1	3.2	2.9
Number of Agreements	303	258	261	105	49	60	62
Number of Employees (000's)	918.0	690.3	778.6	406.0	104.2	92.4	81.5
Federal Administration							
Wage Adjustment (%)	2.1	3.0	2.9	3.9	2.8	3.4	-
Number of Agreements	18	17	11	2	4	2	-
Number of Employees (000's)	154.8	131.5	54.8	1.3	16.9	3.1	-
Federal Crown Corporations							
Wage Adjustment (%)	2.2	3.7	2.8	2.1	3.0	-	2.5
Number of Agreements	3	7	6	2	2	-	1
Number of Employees (000's)	46.6	9.1	8.9	1.9	3.6	-	1.8
Provincial Administration							
Wage Adjustment (%)	2.6	3.5	2.3	2.4	1.9	2.4	2.9
Number of Agreements	37	26	24	13	4	3	5
Number of Employees (000's)	114.4	86.2	135.9	113.0	8.4	3.8	8.9
Local Administration							
Wage Adjustment (%)	2.5	2.6	3.0	2.8	3.4	3.0	2.9
Number of Agreements	33	28	30	6	8	12	5
Number of Employees (000's)	69.2	38.3	61.4	16.9	10.4	29.6	5.8
Education, Health and Social Services							
Wage Adjustment (%)	2.6	3.5	3.0	2.8	3.4	3.4	3.0
Number of Agreements	200	167	179	80	28	39	50
Number of Employees (000's)	501.9	400.5	505.8	271.5	60.9	53.4	64.3
Public Utilities							
Wage Adjustment (%)	3.6	2.8	3.1	2.2	3.3	3.4	4.0
Number of Agreements	12	13	11	2	3	4	1
Number of Employees (000's)	31.0	24.7	11.8	1.4	4.1	2.6	0.8

Table 6
Selected Economic Indicators
by Year and Quarter

	2000	2001	2002	2002-2003			
				2	3	4	1
Wage Settlements (%)	2.5	3.2	2.8	2.6	2.8	3.3	2.8
Public Sector (%)	2.5	3.3	2.9	2.7	3.1	3.2	2.9
Private Sector (%)	2.4	3.0	2.6	2.5	2.4	3.4	2.3
Agreements in Force	2.3	2.8	2.9	3.0	2.9	2.8	2.5
Public Sector (%)	2.2	2.9	3.1	3.1	3.0	2.9	2.4
Private Sector (%)	2.4	2.7	2.7	2.8	2.7	2.5	2.6
Consumer Price Index							
Per Cent Change ¹	2.7	2.6	2.2	1.3	2.3	3.8	4.5
GDP ² at Basic Prices ³							
Per Cent Change ¹	4.7	1.4	3.0	3.1	3.5	3.9	3.2
Labour Productivity Growth (%)	1.9	0.8	1.0	1.4	1.3	0.1	-0.5
Unit Labour Cost (%)	3.7	2.6	1.5	0.9	1.1	2.2	2.1
Unemployment Rate ³	6.8	7.2	7.7	7.6	7.6	7.6	7.4
Employment (000's) ³	14,910	15,077	15,412	15,348	15,481	15,604	15,689
Per Cent Change ¹	2.6	1.1	2.2	1.8	2.7	3.4	3.2
Average Weekly Earnings ³	\$ 655.51	\$ 667.37	\$ 681.02	\$ 678.95	\$ 682.08	\$ 687.02	\$ 686.07
Per Cent Change ¹	2.4	1.8	2.0	2.2	1.9	2.1	1.5
Average Hourly Earnings	\$ 16.48	\$ 16.78	\$ 17.08	\$ 17.12	\$ 17.05	\$ 17.02	\$ 17.03
Per Cent Change ¹	2.8	1.8	1.8	2.6	1.4	0.1	-0.7

¹ Per cent change from the same period of the previous year

² GDP - Gross domestic product at basic prices (1997)

³ Seasonally adjusted data

TECHNICAL NOTES

The information in this report is produced from collective agreement settlements in Canada which cover 500 or more employees in all industries. A few settlements are excluded where the basis of payment is on a piece/mileage rate basis.

The construction industry is excluded prior to 1983.

The Base Rate

The base rate is the lowest paid classification used for qualified workers in the bargaining unit. In most instances, the base rate is the rate of pay for an unskilled or semi-skilled classification of workers. However, this is not the case in contracts covering only skilled workers and professional employees.

As only the base rate in a contract is used, the resulting data on percentage change do not necessarily reflect the average wage change for all workers in the bargaining unit. For example, where an across-the-board increase is negotiated for all classifications in cents per hour (or other money terms), measurement on the base rate produces higher results than measurement on any higher rate, including the average rate. Where varying percentage or money increases are negotiated for different classifications, measurement on the base rate may produce results that are higher or lower than measurement on the average rate. Where an across-the-board increase is negotiated for all classifications in percentage terms, measurement on the base rate produces results identical to measurement on any other rate, including the average rate. It should be noted that information on the average rate for all employees in a bargaining unit is not available.

Effective Wage Increase

The effective wage increase is the increase in rates of pay including estimated **cost-of-living allowance (COLA)** payments. Estimates of the yield of COLA clauses are obtained by quantifying

the characteristics of these clauses in each agreement and applying a combination of actual Consumer Price Index (CPI) increases available to date plus a specified projected inflation rate for the remainder of the contract duration. In succeeding quarters, these estimates are revised using actual CPI values as they become available.

In the current report, an **inflation projection of 2.0 per cent** has been used when the actual rate is unknown. This figure is based on a rounded average of inflation forecasts and is intended for illustrative purposes only and does not constitute an official forecast by Human Resources Development Canada. The use of different inflation rate scenarios could result in varying settlement increases. The inflation projection used will be revised periodically to reflect prevailing economic conditions.

By including reasonable estimates of future payments under COLA clauses, the effective wage increase concept facilitates an accurate comparison of agreements with and without COLA and permits the aggregation of all agreements to yield an improved measure of wage settlements.

Public and Private Sectors

The principal unit of observation is the collective bargaining unit; however, the designation for inclusion in the public sector is by reference to characteristics of the employer with whom a bargaining unit negotiates. Reference to the employer characteristics makes the directives consistent with Statistics Canada's use of "institutional units" or "entities."

While the criteria relate to the classification of the public sector only, *the private sector is defined by exclusion.*

Public sector bargaining units negotiate wages or other working conditions with an employer who is part of, or an agent of, a government or a government business enterprise. The distinction between the two

is whether the activity engaged in is "non-commercial" (Government) or "commercial" (Government Business Enterprise).

Government (Non-Commercial)

The government component comprises all non-commercial entities controlled by governments and mainly financed out of general taxation or other public funds. These entities provide goods and/or services free or at non-market prices (not having a view to profit).

Sub-sectors of the government component are identified below:

(1) Federal Government

Collective bargaining in the federal government component is conducted under the *Public Service Staff Relations Act* (Parts 1 and 2), and the *Parliamentary Employment and Staff Relations Act*.

(2) Provincial and territorial governments

- (a) provincial and territorial government administration;
- (b) health, education and social services agencies or institutions:
 - (i) public hospitals,
 - (ii) provincial residential care facilities,
 - (iii) universities,
 - (iv) colleges, vocational and trade institutions,
 - (v) social services business enterprise,
 - (vi) provincial elementary and secondary schools.

(3) Local Government Administration

- (a) local government organizations such as: municipalities, boards, commissions;
- (b) school boards;
- (c) social services: establishments at the local level primarily engaged in providing basic domiciliary care only, such as homes for the aged, blind or senile, boarding houses for the aged, day nurseries, shelters, etc.

Government Business Enterprise (Commercial)

The commercial component of the public sector is divided into three broad sub-groupings, based on degree of governmental control, as follows:

(1) Direct Control

A commercial enterprise is directly controlled by a government if one of the following conditions is met:

- (a) a government holds more than 50 per cent of its voting equity, directly;
- (b) a government has irrevocable options or the right to acquire shares, or convertible debt or equity, exercisable at the discretion of that government.

(2) Effective Control

A commercial enterprise is effectively controlled by a government if one of the following conditions is met:

- (a) the government holds a significant voting ownership in a public enterprise, where "significant" is understood as:
 - (i) the holding is the largest block of voting equity; and
 - (ii) the holding exceeds 33.3 per cent of the voting equity; and
 - (iii) the block is larger than the combined percentage of the next two largest blocks;
- (b) the commercial enterprise declares that it is effectively controlled by a government;
- (c) there exists a method or variety of methods (e.g. significant voting ownership of the enterprise, technological agreements, supply controls or contracts, management contracts, interlocking directorships, etc.)

(3) Indirect Control

A business enterprise is indirectly controlled by a government if that government directly or effectively controls a government business enterprise, which in turn directly or effectively controls that enterprise.

Selected Provisions in Collective Agreements

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Clauses Linked to Technological Change and Labour Reorganization in Collective Agreements

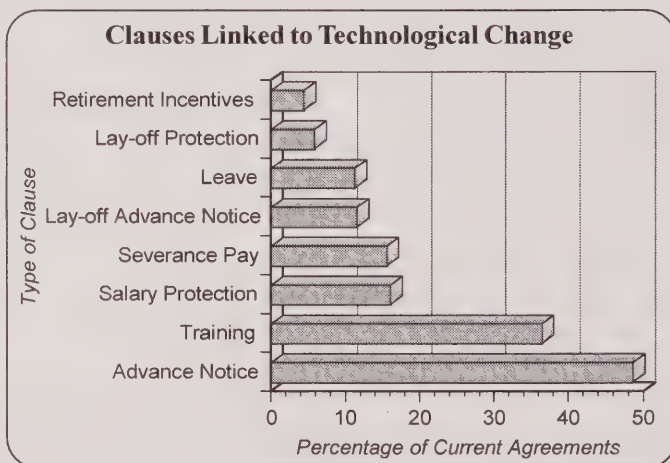
Introduction

By definition, technological change consists of "modifications to the production process brought about by new techniques and manufacturing processes, or by the introduction of machines that put into practice the most recent scientific applications." (Hébert and coll., 2003). Depending on their nature and the industries within which they are introduced, such changes have a profound impact on incumbent workers. This impact may lead to the need to acquire new skills through training or upgrading, to lay-offs, or simply to a period of adjustment to a new work environment.

The *Canada Labour Code*, as well as the Labour relations legislation in the provinces of British Columbia, Saskatchewan, Manitoba and New Brunswick includes provisions stipulating that clauses dealing with technological change must be included in any collective agreement in order to reduce the negative effects of these changes on employees and organizations.

This article will put forth, with the help of examples, the various clauses linked to technological change, which may be found in any given collective agreement.

In Canada, of the 1,147 collective agreements presently in force, fully 59.3 per cent (680 agreements) contain a clause relating to technological change, 48.5 per cent (556 agreements) contain an advance notice clause with respect to technological change, 36.4 per cent (418 agreements) contain



Source: Workplace Information Directorate

a clause with respect to a learning, training, or upgrading obligation, 16 per cent (184 agreements) with respect to salary protection, 15.5 per cent (175 agreements) with respect to total severance pay, 11.5 per cent (137 agreements) with respect to advance notice of lay-off for affected employees, 11.2 per cent (128 agreements) with respect to leave related to technological change, 5.8 per cent (67 agreements) with lay-off protection, and 4.4 per cent (50 agreements) with special early retirement offers or retirement incentives.

Advance Notice of Technological Change

When technological change occurs in a business environment, management must give reasonable advance notice to the union whose members will be affected to allow them to adjust to the situation in order to minimize the negative repercussions such changes may bring about. According to Hébert (1992), the lead-time is usually one, two, or three months. It can be longer though, as is the case in certain large collective agreements.

In Canada, the clause stipulating an advance notice to the union is included in 556 agreements affecting a total of 1,240,710 employees. Of these agreements, 230 (41.4 per cent) were ratified in the public sector while 326 (58.6 per cent) were in the private sector; they covered respectively 887,500 and 353,210 employees.

With regard to areas of activity, it is interesting to note that the majority of these 556 agreements are spread out through the following areas: 193 agreements (34.7 per cent), involving 163,682 employees, are from the manufacturing sector, 114 agreements (20.5 per cent), affecting 446,760 employees, were ratified in the education, health and social services sector, 64 agreements (11.5 per cent), covering 306,830 employees, were from the public

administration sector, while 58 agreements (10.4 per cent), for 132,850 employees, were from the transportation industry.

As for the jurisdictions within which the agreements containing clauses imposing advance notice to the union will come into effect, the lion's share are in Quebec with 134 agreements (24.1 per cent) affecting 215,470 employees, followed by Ontario with 127 agreements (22.8 per cent) affecting 247,795 employees. Then comes British Columbia with 84 agreements (15.1 per cent) for 208,221 employees.

Services minéraux industriels inc. and United Steelworkers of America, Local 8432, 2001-2004, 1163602

10.16 Technological changes

b) The company informs the union of its intention to introduce technological changes at least three (3) months in advance of such changes if they are likely to cause lay-offs among employees covered by the accreditation certificate.

Shell Canada Limited and Communications, Energy and Paperworkers Union, 2001-2004, 1133102

Article XX Employment security

In the event of technological change or the permanent closure of all or part of the plant which will result in a permanent work force reduction of employees covered by this Agreement, the Company will:

1. Notify the Union six months in advance, in writing on a separate letter addressed to the Local Union President, identifying the numbers of employees affected in the field, plant operations and/or plant maintenance sections.

Advance Notice of Lay-off for Affected Employees

Certain technological changes in organizations force management to lay-off part, if not all of the employees affected by such changes. The organization is consequently required to give advance notice to the affected employee as well as to the union representing him of his lay-off. In order to do so, an advance notice clause is included in the collective agreement, which binds employer and employees.

Included in a total of 137 collective agreements covering 404,230 employees, advance notice of lay-off clauses are spread out evenly within the public and private sectors; they include respectively 64 agreements (46.7 per cent) affecting 338,280 employees, and 73 agreements (53.3 per cent) covering 65,950 employees.

Forty-five (32.9 per cent) of the 137 agreements that include advance notice of lay-off clauses are in the education, health and social services sector. This represents 277,640 employees. Another 43 (31.4 per cent) can be found in the manufacturing sector, covering 35,870 employees.

The distribution of these agreements among the different jurisdictions indicates that the province of Quebec is ahead of the pack with regard to the number of such agreements with 51 (37.2 per cent) of the 137 agreements; they cover 112,160 employees. It is followed by British Columbia with 23 agreements (16.8 per cent) covering 103,060 employees and Ontario with 21 (15.3 per cent) affecting 123,060 workers.

Abitibi-Consolidated Inc. and
Communications. Energy and
Paperworkers Union of
Canada, 1998–2004, 0120806

30.02 Technological improvements and automation can have an impact on employees and the conditions of employment. It is essential that these improvements be used to the best advantage of the Company and the employees. Consequently, the Company proposes to:
c) meet the committee no less than sixty (60) days before the introduction of technological changes and/or automation that the Company has decided to introduce and that will result in lay-offs or other important changes to employees' employment status.

University of Victoria and Canadian
Union of Public Employees, 1999–2002,
0535307

30.03 c) Should the introduction of technological and/or organizational change result in the employee's position becoming redundant, the University will give notice of layoff in accordance with Article 17 and provide opportunities for retraining.

17.04 Except where the date of layoff is established by the appointment notice, the University will give 4-weeks' notice in the event of layoff. After the completion of a period of employment of 4 consecutive years, employees will receive 4-weeks' notice, and for each subsequent completed year of continuous employment, an addi-

tional week's notice up to a maximum of 10-weeks' notice. The notice period will not coincide with the employee's schedule vacation.

Learning, Training or Upgrading Obligation

Changes brought about by new technologies are beyond the acquisition of new technical skills. These changes create new organization of work, which may in turn modify the very structure of the organization itself (Jacob and Ducharme, 1995). A learning, training, or upgrading obligation clause included in a collective agreement refers to the employer's obligation, following the introduction of technological changes within the organization, to offer employees affected training, learning, or upgrading opportunities when they do not possess the required skills for the new tasks linked to the position or to assume new functions required by a new position within the organization.

In Canada, 418 current collective agreements, covering 1,010,073 unionized workers, contain such clauses. These agreements are distributed among both public and private sectors where, respectively, 185 agreements (44.3 per cent), covering 779,950 employees, and 233 agreements (55.7 per cent), affecting 230,123 workers may be found.

Among these 418 agreements containing learning, training, or upgrading obligations, 141 (33.7 per cent) are from the manufacturing sector, 98 (23.4 per cent) are from the education, health and social services sector and 54 (12.9 per cent) are from the public administration sector. These three areas of activity account, respectively, for 12.5 per cent, 36.3 per cent, and 30.3 per cent of the 1,010,073 employees covered by such clauses.

Among Canadian jurisdictions, this type of clause is more prevalent in the province of Quebec, where it is part of 117 agreements (28.0 per cent) affecting

204,250 employees. A close second is the province of Ontario, which accounts for 108 agreements (25.8 per cent) covering 226,850 workers, and rounding out the top three is British Columbia with 68 agreements (16.3 per cent) covering 152,991 employees.

Fraser Wharves Ltd. and International Brotherhood of Teamsters, 2000–2003, 1157202

15. e) Re-training and Upgrading – the parties jointly and individually will undertake with the assistance of Canada Manpower and through recognized provincial or local adult training programs, if necessary, to retrain and upgrade regular employees to enable them to become qualified and capable of performing new jobs resulting from or created by the technological or mechanical changes.

Tolko Industries Ltd. and Industrial Wood and Allied Workers of Canada, 1998–2001, 0004606

*Article 6 – Technological Change
6:02 When technological changes are implemented every effort will be made by the Company to retrain its employees to satisfactorily perform the new duties required of them.*

Leave Related to Technological Change

In cases where technological change occurs within an organization, a clause may be included in the collective agreement, which allows an employee to pursue training or learning activities if the new technologies being implemented require more advanced or simply different skill sets.

It is interesting to note that 92 of the 111 catalogued agreements (82.9 per cent) stipulate the employees are entitled to paid leave while in five cases (4.5 per cent), they are entitled to a partially paid leave, and in only one instance (0.9 per cent) is the leave unpaid. The other 13 agreements (11.7 per cent) are unclear as to the funding of such leave, be it paid by the employee, by the employer, or through a combination of both.

Two areas of activity stand out in the number of collective agreements containing leave related to technological change clauses. Indeed 29 such agreements (26.1 per cent), affecting 118,470 employees, are found in the education, health and social services sector while 19 (17.1 per cent), covering 81,950 employees are from the public administration sector.

Moreover, it is in the province of Quebec that the largest number of these clauses is found. In all, 30 agreements (27.0 per cent) covering 29,470 employees have been concluded in this jurisdiction. Another 23 agreements, covering 92,390 workers, are from Ontario, while the exact same number, affecting 128,395 workers in multiple jurisdictions (multiprovince).

• **Paid leave**

Securicor Cash Services and National Automobile, Aerospace, Transportation and General Workers Union (CAW-Canada), Local 114, 2001–2004, 1014703

Article 35 – Technological Change

35.05 Training

The parties agreed that wherever possible training (including re-qualification training for firearms) would be scheduled during working hours, but in the eventuality that training cannot be accommodated within the normal working week up to forty (40) hours per year per employee, if schedule outside working hours will be payable at straight time.

• **Partially paid leave**

Rogers Cable TV and Metro Cable TV Maintenance and Service Employees Association, 1998–2003, 0975505

Section 7 – Technology and Education

7.02 c) Access to outside training courses is provided through the Company's educational assistance program. The Company will pay either 75 or 100 per cent of the tuition fees, depending upon applicability of the course to the employee's position. Time spent on this training will be provided by the employee.

• **Unpaid leave**

Cartage and Miscellaneous Employees' Union, Local 931 and Association des transporteurs de la région de Montréal, 2001–2006, 0339006

20.22 Upgrading

b) The training will be conducted according to the means selected by the Employer and without pay for the employee.

• **Leave for which it is impossible to determine salary stipulations**

Rolland Inc. and Communications, Energy and Paperworkers Union of Canada, 1998–2003, 0110006

Article 21 – Automation and technological changes

21.04 Regular employees displaced from their jobs due to automation or technological change must be afforded the opportunity of obtaining training in order to become capable of performing new jobs, which their seniority might entitle them to.

Special Leave to Seek Alternate Employment

A clause stipulating special leave provisions to seek alternate employment allows an employee about to be laid off because of technological change to take time off during working hours to seek employment within another organization.

In Canada, very few current collective agreements contain such a clause. The number is in fact 17 agreements covering 6,230 workers. They are all within the private sector.

Of these 17 agreements, fully 15 (88.2 per cent) are from the manufacturing sector, and two (11.8 per cent) are from the information and culture sector.

Furthermore, it is only in Quebec (11 agreements), New Brunswick (4 agreements), Ontario (1 agreement) and Alberta (1 agreement) that such agreements are found.

Irving Paper and Communications,
Energy, and Paperworkers Union of
Canada, 2002–2010, 0107405

Article XII- Job Security

1. Technological changes, automation and other factors may have an impact on employees and conditions of employment. It is essential that these changes be utilized to the best advantage of both the company and the employees.

(c) (iv) Subject to mill operating requirements, to grant leave of absence for a period of one (1) month, or such other period as is reasonable for employees who, due to lay-off, are transferred to the Call Crew, to enable them to seek employment elsewhere.

Bravo Canada, City TV, Muchmusic
Network MuchMoreMusic Space, Star!,
and CHUMCity Interactive and
Communications, Energy and
Paperworkers Union of Canada,
2000–2003, 0992503

10.2 Technological Change

Should the introduction, replacement, supplementation or modification of any machinery, equipment or device result in the layoff of employees as distinguished from layoffs, caused by changes in programming, the Company agrees to the following conditions:

(b) [...] The Company will provide such employees reasonable time off, during their normal work week without loss of salary, to be interviewed for positions outside the Company.

Protection Against Lay-offs

A protection against lay-off clause refers to an obligation, on the employer's part, to guarantee an employee's current job or another within the organization should technological changes be implemented.

In total, there are 67 current collective agreements with such clauses, covering 164,690 employees. They are distributed as follows: 35 agreements (52.2 per cent), covering 106,530 workers are from the public sector while 32 (47.8 per cent), affecting 58,160 employees are from the private sector.

Taking into account areas of activity, the majority of the 67 collective agreements containing such a protection against lay-off are spread out among four sectors, namely the information and culture sector, which accounts for 18 agreements (26.9 per cent), representing 34,430 employees, the transportation

industry with 12 agreements (17.9 per cent) affecting 74,470 workers, the manufacturing sector with 11 agreements (16.4 per cent) and 5,810 workers, and finally the education, health and social services sector with 10 agreements (14.9 per cent) affecting 13,650 employees.

With regards to the provinces or jurisdictions where these 67 agreements have effect, 27 (40.3 per cent) are from the province of Quebec, 13 (19.4 per cent) are from multiple jurisdictions (multiprovince), and 10 (14.9 per cent) are from Ontario. These cover, respectively, 34,990; 80,470; and 15,770 unionized workers.

Imperial Tobacco and Bakery,
Confectionery, Tobacco Workers and
Grain Millers International Union,
2000–2004, 0070207

26 – Technological Changes, Procedures
The Company will not lay off employees as a result of the introduction of technological changes and in the event that the introduction of technological changes would generate a surplus of employees in excess of plant requirements, the Joint Committee shall consider, among other alternatives,
(a) Retraining;
(b) Transfer on a voluntary basis to other jobs within the Company;
(c) Attrition;
(d) Voluntary termination of employment with an indemnity which will be based on the formula agreed to between the Company and the Union, taking into consideration the characteristics of the group of employees affected as well as the settlements negotiated in the Tobacco Industry;
as a mean to accommodate the number of employees affected.

Ville de Sherbrooke and Canadian
Union of Public Employees, 1997–2001,
0409307

Article 20 – Job security

20.04 No permanent employee shall be fired or laid off, nor will a wage reduction be imposed following or because of technical or technological improvements or for whatever alterations or modifications may be brought to the City's structures or administrative system as well as to work procedures.

Salary Protection

Salary protection clauses guarantee an employee the same level of pay in cases of technological changes within the organization, whether he keeps the same job, is offered an equivalent job, or is offered one where the functions are of a lower level.

Such clauses are included in 184 current collective agreements in Canada, covering a total of 303,365 employees. They are distributed among the public and private sectors as follows: 53 agreements (28.8 per cent) representing 203,490 workers are from the public sector, while 131 agreements (71.2 per cent) covering 99,875 workers are from the private sector.

Of these 184 agreements, the majority (52.7 per cent) are from the manufacturing sector. Indeed this sector accounts for 97 agreements affecting 61,525 employees. It is followed from afar by the education, health and social services sector with 24 agreements (13 per cent) covering 108,400 employees.

Moreover, it is the province of Quebec that accounts for the most agreements including salary protection clauses, namely 27.7 per cent. With its 51 agreements covering 31,390 workers, it precedes British Columbia, which accounts for 36 agreements

(19.8 per cent) affecting 91,650 employees and Ontario with 29 agreements (15.8 per cent) affecting 38,670 employees.

**Hudson Bay Mining and Smelting Co. Ltd.
and United Steelworkers of America,
2000-2002, 0015805**

Article 8 – Reduction and Restoration of Forces

8.09 In this article,

(a) (i) "Card rate" means the rate shown on the time card for the job occupation into which an employee has been placed and as it appears on his time card.

(ii) "Red circled" means a special wage rate.

(b) If an employee as a result of technological change or organizational change is downgraded by the Company into a classification of work paying a lesser wage rate than the regular wage rate of his permanent job, the employee shall maintain the rate of the permanent job which shall be red circled. If such employee is subsequently placed into a card rate which equals or exceeds his red circled rate, he will be removed from the red circled rate and paid that card rate.

**Hydro-Québec and Syndicat professionnel des ingénieurs d'Hydro-Québec inc.,
1999-2002, 0408707**

Article 14 – Record of service and job security

14.03 No permanent employee of the Direction will be thanked for their services or will have a wage or wage level reduction imposed on them following technical or technological changes or alterations or modifications to administrative structures.

The fact that an employee is not imposed a wage level reduction as indicated above means the employee will continue to receive his annual salary review as provided for.

Total Severance Pay

Upon introduction of technological change within an organization, it is possible that an employee is given a total severance pay in cash to compensate for the loss of his job when he refuses to accept an equivalent or inferior position within the organization.

There are currently 175 collective agreements that include a total severance pay clause. They affect a total of 210,555 employees. More than three quarters of those (75.4 per cent) are found in the private sector. This represents 132 agreements covering 114,645 workers. The rest, namely 43 agreements (24.6 per cent) covering 95,910 employees, are from the public sector.

It is in the manufacturing sector, with 78 agreements (44.6 per cent) covering 55,372 workers, that the largest number of these agreements can be found. Next come the transportation and information and culture industries with 20 agreements apiece (11.4 per cent) covering respectively 19,910 and 27,630 employees.

On a jurisdictional level, we note that there are 46 agreements (26.3 per cent) containing total severance pay clauses in British Columbia, covering 82,681 employees and 37 (21.1 per cent) in Quebec affecting 19,190 workers.

Saskatchewan Wheat Pool and Grain Services Union, 2000-2003, 0385109

Article 24 – Worker Adjustment Process

7. Technological change shall be defined as:

(a) The introduction of equipment or material of a different nature or kind than that previously utilized by the employer in the operation of the work, undertaking or business; and

(b) A change in the manner in which the employer carries on the work, undertaking or business that is directly related to the introduction of that equipment or material.

8. The following procedure shall apply:

e) The employee may elect to receive Severance Allowance as set out in section 9 below herein at the time of the effective date of the layoff notice. The employee may elect to defer the option of Severance Allowance until six months of layoff has lapsed or until the first recall to a position has occurred during that six month period, whichever occurs first.

9. An employee who receives notice of permanent layoff in accordance with this Article shall have the right to exercise the option of accepting severance. An employee who elects severance shall be entitled to two (2) weeks pay for each year of service, pro-rated for partial years.

La Presse Inc. and Office and Professional Employees International Union, 1998-2001, 0142704

Article 7 – Personnel reduction, lay-off, call back, demotion, suspension and dismissal
7.05 5. An employee whose position is affected as per paragraph 2 and who refuses to upgrade, or whose upgrading efforts prove unsuccessful, would be entitled to severance pay at a rate of three (3) weeks' salary per year of regular and uninterrupted employment as defined in the current agreement, in one of the sectors covered by said agreement, but of no less than twenty six (26) weeks and no more than fifty-two (52) weeks.

Said severance pay will be payable, at the discretion of the employee, in one or another of the following methods:

a) Through consecutive weekly allowances each equal to one week's salary and for a number of weeks equal to the number of

weeks' severance pay granted; the first to be paid out the week following the employee's departure and so on until disbursement of all sums granted;

b) If the employee were to return to work for the employer before disbursement of all sums granted as per a), said disbursements will immediately cease being due;

c) Through a lump-sum payment equal to the total number of weeks' severance pay granted, on the condition that the employee choosing this option gives up his rights under the call back procedure described in clause 7.03.

Special Early Retirement Offers or Retirement Incentives

The implementation of technological changes in an organization may bring management to make special early retirement offers aimed at attenuating the ill effects of lay-offs.

There are currently 50 collective agreements containing special early retirement offers, and these cover 148,487 Canadian workers. While these agreements are primarily from the private sector (82 per cent), we may also note that 30 of the 50 agreements (60 per cent) were concluded in the manufacturing sector.

Moreover, the provinces of Quebec and Ontario are the jurisdictions where the highest number of these agreements exist with 16 (32 per cent) and 13 (26 per cent) agreements respectively.

*Section XVIII – Job Elimination and
Technology Change*

9. Retiring Allowance

a) The Company and Union recognize that in face of significant reduction of the workforce due to job elimination, attrition through early retirement is a preferential way to decrease the size of the workforce.

For the term of this Agreement, and consistent with 3. Required Notice for Technological Change and 4. Notice for Job Elimination above, and, the continued availability of a skilled workforce, a one-month window of opportunity will be opened for eligible employees to exercise a retirement leaving option.

b) Employees exercising the option shall terminate their employment within four (4) weeks after the implementation of the job elimination.

c) Eligible employees are those employees who are fifty-five (55) years or older and who qualify for pension benefits under the PPWC Mackenzie Wood Products Plan.

d) Employees wishing to exercise the Retirement Leaving Option shall be entitled to receive a Retirement Allowance equivalent to the value specified in No. 7 above as well as pension benefits in accordance with the applicant's pension entitlement.

e) The Retirement Leaving Allowance may be directly rolled into an RRSP or other tax shelter as may be permissible under the Income Tax Act, otherwise it will be subject to the appropriate tax deductions.

Section 11:4 Technological Change

11:4:1 (c) During the first thirty (30) days of the notice period and prior to effecting any layoffs or separations under the Collective Agreement, the Company shall canvass employees eligible for Special Early Retirement ("eligible employees") as to their willingness to elect Special Early Retirement. Such eligible employees shall be approached within each group determined in paragraph (a) in order of seniority and, if they choose to take Special Early Retirement within the above thirty (30) day period and actually retire within thirty (30) days thereafter, will receive a Technological Change Bonus (TCB). The TCB will be determined by dividing the total amount of the separation pay entitlement of all the employees designated for indefinite layoff in paragraph (b) above, by the total number of employees so designated. The number of special early retirees in any group who may receive the TCB will not exceed the number of jobs in that group which are to be permanently displaced by the technological change and, if a greater number of eligible employees in any group so elect to take Special Early Retirement, the TCB will only be paid to the most senior of them.

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* *These collective agreements are available in their unabridged form on **Negotech**, a searchable labour relations database, accessible at: <http://hrdc.gc.ca/labour/nego/>.*



WORK STOPPAGES

Workplace Information Directorate
Labour Program, Human Resources Development Canada

First Quarter of 2003 (500 or More Workers)

There were 12 work stoppages involving 500 and more workers during the first quarter of 2003 in Canada. Four major work stoppages accounted for 80 per cent of the person-days not worked. The strike involving Vidéotron ltée. and the Canadian Public Employees Union engaged 125,400 person-days not worked for which represents 37 per cent. In Quebec, the work stoppage of 850 employees of la Corporation des concessionnaires d'automobiles de la région de Québec represented 53,550 person-days not worked and accounted approximately

to 16 per cent of the total of person-days not worked in the first quarter. The work stoppage between University of British Columbia and the Canadian Public Employees Union involving 3,500 employees (teaching assistants, office and clerical employees) represented 45,600 person-days not worked. Finally, the work stoppage between l'Université de Montréal and the Canadian Public Employees Union involving 2,000 employees accounted for 44,000 person-days not worked. Those two strikes represented 27 per cent of the total of the person-days not worked.

Table 1

Major Work Stoppages by Jurisdiction, First Quarter 2003

Jurisdiction	Stoppages	Workers Involved	Person-Days Not Worked
Newfoundland and Labrador	-	-	-
Prince Edward Island	-	-	-
Nova Scotia	-	-	-
New Brunswick	-	-	-
Quebec	3	3,350	129,050
Ontario	4	6,600	29,430
Manitoba	-	-	-
Saskatchewan	-	-	-
Alberta	-	-	-
British Columbia	3	4,050	49,350
Territories	-	-	-
Multiprovince	-	-	-
Total Provinces	10	14,000	207,830
Canada Labour Code-Part I	2	4,400	126,700
Federal Administration	-	-	-
Federal Total	2	4,400	126,700
Total	12	18,400	334,530

Source: Workplace Information Directorate

Table 2

Major Work Stoppages by Industry, First Quarter 2003

Industries	Stoppages	Workers Involved	Person-Days Not Worked
Primary Industries	-	-	-
Utilities	-	-	-
Construction	-	-	-
Manufacturing	3	2,400	48,860
Wholesale and Retail Trade	1	850	53,550
Transportation	1	2,200	1,300
Information and Culture	1	2,200	125,400
Finance, Real Estate and Management Services	-	-	-
Education, Health and Social Services	5	9,550	96,850
Entertainment and Hospitality	1	1,200	8,570
Public Administration	-	-	-
Various Industries	-	-	-
Total	12	18,400	334,530

Source: Workplace Information Directorate

Fourth Quarter of 2002 (One or More Workers)

Table 3

All Work Stoppages by Jurisdiction, Fourth Quarter 2002

Cumulative to December 31, 2002

Jurisdiction	Stoppages	Workers Involved	Person-Days Not Worked
Newfoundland and Labrador	3	1,023	9,050
Prince Edward Island	2	31	1,511
Nova Scotia	7	1,433	17,615
New Brunswick	5	1,092	33,350
Quebec	103	23,519	525,290
Ontario	116	66,816	1,509,970
Manitoba	7	3,332	22,864
Saskatchewan	6	3,122	43,679
Alberta	3	21,008	212,150
British Columbia	19	37,300	77,345
Territories	-	-	-
Multiprovince	-	-	-
Total Provinces	270	148,542	2,152,967
Canada Labour Code-Part I	22	8,081	575,920
Federal Administration	-	-	-
Federal Total	22	8,081	575,920
Total	292	166,757	3,028,744

Source: Workplace Information Directorate

Table 4

All Work Stoppages by Industry, Fourth Quarter 2002

Cumulative to December 31, 2002

Industries	Stoppages	Workers Involved	Person-Days Not Worked
Primary Industries	4	667	87,400
Utilities	2	73	2,960
Construction	6	295	8,390
Manufacturing	92	21,504	541,975
Wholesale and Retail Trade	42	9,982	140,395
Transportation	22	4,300	84,070
Information and Culture	18	6,717	482,500
Finance, Real Estate and Management Services	12	1,878	73,530
Education, Health and Social Services	32	63,772	370,293
Entertainment and Hospitality	42	3,929	34,531
Public Administration	20	53,640	1,202,700
Various Industries	-	-	-
Total	292	166,757	3,028,744

Source: Workplace Information Directorate

A weekly listing of major work stoppages in Canada and a full chronological perspective are available on the Workplace Information Directorate Website at:

<http://labour-travail.hrdc-drhc.gc.ca/doc/wid-dimt/eng/>.

All Work Stoppages

Table 5
A Chronological Perspective of all Work Stoppages

Period	Number Beginning Month or Year	In Existence During Year or Month*			Percentage of Estimated Working Time
		Total Number	Workers Involved	Person-days Not Worked	
1993	323	381	101,784	1,516,640	0.05
1994	312	374	80,856	1,606,580	0.06
1995	282	328	149,159	1,583,070	0.05
1996	297	330	281,438	3,351,240	0.11
1997	229	284	257,664	3,610,210	0.12
1998	341	381	244,402	2,443,870	0.08
1999	358	413	158,415	2,442,580	0.08
2000	321	379	143,456	1,656,790	0.05
2001	324	380	220,446	2,203,780	0.07
2002	249	292	166,757	3,028,744	0.09
<hr/>					
2002					
January	20	63	44,048	124,670	0.05
February	15	56	25,214	256,020	0.09
March	14	56	38,666	440,036	0.16
April	19	55	45,067	770,424	0.28
May	29	78	46,150	242,034	0.08
June	17	64	13,932	139,404	0.05
July	35	79	30,354	256,001	0.09
August	22	61	11,634	155,069	0.05
September	19	64	14,194	165,367	0.06
October	31	80	15,367	192,490	0.07
November	16	71	12,962	150,679	0.05
December	12	55	10,820	136,550	0.05

* Refers to work stoppages which began during the year or month as well as those carried over from the previous year or month.

Source: Workplace Information Directorate

TECHNICAL NOTES

Data on work stoppages collected by the Workplace Information Directorate of the Labour Program of Human Resources Development Canada covers strikes and lockouts which amount to 10 or more person-days lost.

A strike is a concerted work stoppage by a group of employees which is done in order to bring about a change in an employer's position, and it occurs during the negotiating process. A legal strike is one that respects all the conditions mandated by law, most notably that the strike is taking place during negotiations. A lockout occurs when work is suspended by the employer or a group of employers in order to pressure employees to change their position, and a lockout must also occur during the negotiating process.

Developments leading to work stoppages are sometimes too complex to make it practicable to distinguish between strikes on the one hand and lockouts on the other.

The major characteristics of work stoppages on which information is gathered are:

Employer—Firm or firms employing the workers reported on strike or locked out.

Location—Location of the plant or premises at which the work stoppage occurred.

Industry—Industry of employer according to the North American Industry Classification System (1997).

Union—The workers' organization(s) directly involved or concerned in the dispute that led to work stoppage.

Workers Involved—The total number, or approximate total number, of workers reported on strike or

locked out, whether or not they all belonged to the union. Where the number of workers involved varied in the course of the stoppage, the maximum number is used in tabulating annual or other totals. (Where a stoppage commenced in a previous year, the maximum number during the whole stoppage is the number used). Monthly totals are similarly based on the highest figures but allowance is made for changes reported in stoppages extending over two or more months. The total number of workers shown may include the same workers more than once if they are involved in more than one work stoppage during the year (or other reference period). Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included in the data on workers involved.

Starting Date—The day on which the work stoppage began.

Termination Date—The termination date is the day on which work was resumed. Some work stoppages are never formally settled, and this presents statistical difficulties. In such a case, the stoppage is usually considered terminated for statistical purposes, at the date by which it was established that two-thirds or more of the workers involved had either returned to work, or had found work with other employers; or the date by which it was reported that the operations affected by the work stoppage would not be resumed.

Duration—The duration of each stoppage is calculated in terms of working days, including the starting date and all subsequent normal working days up to the termination date. The days counted as working days are those on which the establishment involved would normally be in operation (five days per week).

Duration in Person-Days—Duration in working days multiplied by the number of workers involved. For work stoppages involving establishments in which

the number of weekly working days (see Duration above) exceeds the work week of individual employees, the duration in person-days is adjusted by the appropriate ratio. The data on duration of work stoppages in person-days are provided to facilitate comparisons of work stoppages in terms of a common denominator; they are not intended as a measure of the loss of production time to the economy. The expression "Time loss" is occasionally used instead of "duration in person-days." The term most commonly used is person-days not worked due to the duration in person-days of all work stoppages in a year is also shown as a percentage of estimated working time based on estimates of the number of non-agricultural paid workers in Canada obtained from the Labour Force Survey of Statistics Canada.

Jurisdiction—Statistics on work stoppages are also classified according to jurisdiction. This is done on the basis of the government and those businesses covered by Part 1 of the *Canadian Labour Code* whose industrial relations statistics are applicable to the establishment involved in the dispute. (The tabulation of statistics on work stoppages by jurisdiction corresponds to a tabulation by province, except where the Federal jurisdiction is involved.)

The data reflect all work stoppages that have come to the notice of Workplace Information Directorate, and meet the criteria defined above, e.g. minimum person-days. The methods used to secure this information are believed to be adequate to preclude the possibility of major omissions.

Source: Workplace Information Directorate, Labour Program, Human Resources Development Canada.

Workplace
Information

Information
sur les milieux
de travail

Innovative Workplace Practices

Bruce Aldridge
Workplace Information Directorate
Labour Program, Human Resources Development Canada

This overview of workplace innovations is based on a review of 82 collective agreement settlements negotiated during the first quarter of 2003. Of these, over one-half, 45 settlements, contained provisions considered to be innovative or of particular interest.

Duration

The trend over the past year towards 36-month durations continues. Of the 82 settlements reviewed during the quarter, slightly over one-half (44 collective agreements) had a duration of 36 months. Of the six settlements with 12-month durations, there were two extension agreements, two renewal agreements and two wage reopeners. Sixteen settlements had durations of between 17 and 24 months while eight had durations of between 46 and 48 months. There were eight settlements that had durations of 56 or more months. Of these, two had a duration of 72 months: Shorewood Packaging Corporation in Smith Falls, Ontario, with the Graphic Communications International Union and Services Drummondville inc. in Drummondville, Quebec, with the Union des ouvriers de textile-coton de Drummondville.

Compensation

The innovative element in compensation relates to either additional wage adjustments or classification adjustments and is present in 17 agreements. In the settlement with the Government of New Brunswick and New Brunswick Nurses' Union, employees in the Institutional Group 2 receive an additional 2.5 per cent to **harmonize hourly salaries** with those of the Non-institutional Group 2. Employees at the maximum of the range may be granted up to four re-earnable increments; these temporary payments are not included in base pay and do not constitute pensionable earnings. Increments are based on performance measures through the performance management system.

McMaster University, Hamilton, Ontario and Service Employees International Union have provided **market adjustments** for cafeteria employees in addition to the wage adjustments. These

adjustments range from 20¢ to 45¢ per hour, depending on occupation. After a **classification review**, Services Drummondville inc., Drummondville, Quebec and Union des ouvriers du textile-coton de Drummondville, restructured the wage scales which generated an average wage increase of 1.5 per cent before the first general wage adjustment. A **classification adjustment** was also implemented by Avcorp Industries Ltd., Richmond, British Columbia, and International Association of Machinists and Aerospace Workers: a material handler classification was created which combined the duties and responsibilities of three former classifications. The 20 employees affected will receive an additional wage increase of \$1.50 per hour.

The Edwards, Unit of PX Canada Inc., Owen Sound, Ontario, and United Steelworkers of America have negotiated a **savings and stock ownership** plan.

After one year of service, an employee may contribute a minimum of 3.0 per cent to

the stock fund and the employer contributes 4.0 per cent. If the employee chooses investment options other than the stock fund, the employer's contribution will be 2.5 per cent. An **incen-tive investment** plan has been established with Kimberley-Clark Forest Products Inc., Terrace Bay, Ontario, and Paper, Allied-Industrial, Chemical and Energy Workers International Union and International Brotherhood of Electrical Workers. Effective January 1, 2004, the employer will match the employee's contribution to a maximum of 5.0 per cent of regular earnings with the first 2.0 per cent of regular earnings being matched at 75 per cent and the next 3.0 per cent at 50 per cent. In a **profit-sharing** plan with Hudson Bay Mining and Smelting Co. Limited, Flin Flon and Snow Lake, Manitoba and various trades unions, 10 per cent of the company's "after tax earnings" shall be distributed to the employees at the end of each year of the contract. Miramar Giant Mine Ltd., Yellowknife, Northwest Territories, and CAW-Canada have a **gold price premium**. When gold prices average within specified ranges for a fiscal year, the base wage will be increased the following quarter by 2.0 per cent per \$50 above \$500.

Queen's University, Kingston, Ontario, and Queen's University Faculty Association have a

special adjustments fund. An amount of \$195,000 will be used to adjust salaries of those at the lower end of the pay scale in order to **enhance retention and recruitment**. The adjustments will apply to tenured and tenure-track faculty whose current salary is less than the junior increment cut-off and is determined to be abnormally low considering years of experience and merit history. Another anomaly fund of \$250,000 will address equity and career-progression salary anomalies identified by self-application or by recommendation of the Head or Dean, and retention and market-related cases such as **countering external offers or correcting salary inversions**.

A **special severance** fund has been established between B.C. Terminal Elevator Operators' Association, Vancouver, British Columbia and Grain Workers' Union. The employer will contribute \$1.8 million for the purpose of early retirement and severance payments. The union is directed to make a proposal to the employers as to how it wishes the fund to be distributed among early retirement applicants and junior employees on layoff status. Should the parties be unable to resolve the distribution, either party may refer the matter to arbitration.

Working Conditions

Algoma Central Railway, system-wide, and various unions have introduced a provision concerning **technological, operational or organizational changes**. The employer will provide details of the change and the number of affected employees to the union. The parties may negotiate terms other than those provided in the collective agreement to minimize the adverse effects on employees. If such terms are not agreed upon within 15 days, they will be referred to a mediation review board. Should the changes result in the permanent layoff of a permanent employee hired before January 1, 1993, the employer shall canvass other permanent employees for volunteers to avoid the involuntary layoff. The voluntarily departing employee would receive a severance payment equal to two weeks pay per year of service up to the lesser of one year's pay or \$65,000.

For employees in the **job sharing** program at Exceldor Poultry Cooperative, St-Anselme, Quebec, and Centrale des syndicats démocratiques, the employer will contribute \$5.00 per week towards the group life insurance premium. Also, the employer will add 5.2 per cent to each pay period to compensate for paid holidays.

A **peer counselling** pilot program has been established with the City of Ottawa—OC Transpo and Amalgamated Transit Union. The program is to ensure that employees have trained peers available to them to discuss issues of concern at the workplace. The jointly developed training program will include 15 union employees trained in subjects such as conflict resolution, employee assistance counselling and combating harassment and discrimination.

Services Drummondville inc., Drummondville, Quebec and Union des ouvriers du textile-coton de Drummondville have initiated a **new system of work organization**. The plant has been divided into five workshops with a guarantee of no layoffs. Any employee who might be affected is flexible and can be transferred to other comparable occupations within the same group or, if they have the training required, to any other occupation in the group on the basis of operational requirements. Employees cannot refuse training.

A **new employee orientation** program exists with Ryder Truck Rental Canada Ltd., Canada-wide and CAW-Canada. A union representative will meet for up to one hour with new employees as a group during the new driver orientation session to acquaint them with the benefits and duties of union membership and employee responsibilities and obligations to the employer and the union. New dock employees' orientation and training will be limited to two weeks on day shift, after which they will move to the shift based on seniority and training may continue.

The City of Thunder Bay, Ontario and CAW-Canada have introduced the observance of a **minute of silence** each year on April 28, for employees who have been injured on the job, and on December 6, for issues of violence against women.

Training and Development

Services Drummondville inc., Drummondville, Quebec, and Union des ouvriers du textile-coton de Drummondville inc. have introduced a structured training plan for each occupation **to maintain and improve employee skills** in the plant. The skill assessment process takes into account observations by the employees supervisor and by the instructor in relation to job skills. Employees designated by the employer as instructors will receive a 10 per cent premium and are responsible for updating and developing the specific content used in training, writing the manual and any other related tasks.

A **shop steward training** plan between Canada Bread Atlantic Limited, Moncton, New Brunswick, and Bakery, Confectionery, Tobacco Workers and Grain Millers International Union provides information on labour-management relations and safety issues within the plant. Ryder Truck Rental Canada Ltd., Canada-wide and CAW-Canada have a provision whereby the employer contributes three cents per hour, per employee, to provide paid leave to upgrade employee skills in all aspects of **trade union functions**.

The University of Toronto, Toronto, Ontario and Canadian Union of Public Employees have developed an **educational assistance** provision for the library technicians. Employees will have their tuition waived for a University of Toronto degree course, up to and including the Master's level. Fifty per cent of tuition will be reimbursed to employees completing job-related courses at other educational institutions.

Labour-Management Committees

During this first quarter of 2003, 18 of the 45 agreements with innovative practices contained provisions for establishing committees dealing with a wide variety of concerns.

Accuride Canada Inc., London, Ontario, and CAW-Canada has established a **return to work committee** to institute guidelines to return disabled employees to work and to monitor the return to work placement process and review the effectiveness of the program.

A **dispute resolution** committee has been initiated between Air Canada, system-wide, and Canadian Union of Public Employees. The parties will study and find solutions to disputes which will enable them to develop a more effective process. Also, a **wellness** committee has been created to deal with issues related to working conditions and the employer's concern over absenteeism.

Other committees included in collective agreements discuss such items as work scheduling, contracting-out, health and welfare benefit costs, retiree benefits, staff planning and job evaluations.

Innovative Workplace Practices

Previously published articles and case studies from past issues of the Workplace Gazette, are available on the Workplace Information Directorate Website at

<http://labour.hrdc-drhc.gc.ca/>



Work-Related Stress and Absenteeism



Canadian Auto Workers

and the

St. Lawrence Seaway



Labour-Management Partnerships Program
Labour Program, Human Resources Development Canada

Introduction

The Canadian Auto Workers and St. Lawrence Seaway undertook a cooperative joint project on attendance issues in their workplaces. Attendance at the Seaway had surfaced as a workplace issue because absence rates were perceived as higher than desirable; that is, there was a perception that the use of sick days was too high and that its usage had, in some instances, become an improper use of sick leave.

The parties also recognized that absenteeism can reflect significant problems in the workplace (such as job dissatisfaction, or difficult or undesirable working conditions), or that it can be a symptom of other issues faced by workers that are caused by factors such as work-and-family conflicts. Absenteeism can also be the result of workplace norms that affect workers behaviour or management policies (e.g. degree of monitoring; penalties; or reporting). In these cases, the absenteeism is the outcome of a reaction of employees to an undesirable circumstance or, in other cases, it is the "safety

valve" that allows employees to cope with other demands in their life. In either case, absenteeism can impose costs on the firm in the form of replacement workers, effort, and morale, and can indicate that workers are under stress.

Recognizing these implications, the parties agreed to undertake an initiative to further explore attendance issues, including the joint development of a survey of employees, the results of which provided a basis for understanding: what factors or workplace conditions affect Seaway absenteeism and the use of sick leave by employees; why workers are currently absent or use sick leave; and what actions might be considered to improve attendance and address underlying problems that can give rise to attendance problems.

The *CAW-Seaway Absenteeism Survey* approached the issue of absenteeism and the use of sick leave time in the context of the range of factors that can affect employees'

— This paper is an excerpt from the full report prepared by Karen Bentham, Richard Chaykowski, and George Slotsve in relation to a cooperative project, entered into by the CAW and the St. Lawrence Seaway Management Corporation, to research the incidence and causes of workplace absenteeism and to find cooperative solutions to reduce absences.

absenteeism, including work-and-family conflicts, job satisfaction, working conditions, norms and monitoring practices, and worker characteristics. The survey instrument was the product of the work of a research team and developed through extensive consultations and input from both parties. The survey was administered by the CAW in each Seaway work site on company time in cooperation with the Seaway. Surveys were administered in the language (French or English) relevant to the work site. Since the vast majority of employees were surveyed, the resulting sample was very representative. The joint consultation on the absenteeism/sick leave usage issue reflected a desire and willingness to work together to define the issue, understand the dimensions of the issues at stake, and seek mutually productive solutions.

What We Know about Workplace Absenteeism

Absenteeism is generally viewed as a costly workplace problem because it can impose economic costs on employers by having to replace workers, costs on fellow employees by increasing their work loads in order to cover the work of an absent employee, and personal costs on the absent worker, if the reason indicates an underlying difficulty that the worker is experiencing.

The problem experienced at the Seaway was that there was a perception that the use of sick days was too high and that, in fact, its usage had, in some instances, become an improper use of sick leave. Why do employees absent themselves from work when they are not ill

or on an approved special leave? Research evidence does shed some light on this issue. The reasons may, generally, be grouped into the following areas:

- *Work-and-family conflicts*
Here workers who engage in elder care or who have other care giving responsibilities or who must cope with an unexpected family illness (e.g. children) may be absent.¹
- *Job satisfaction*
Here the more satisfied the worker, all else being relatively equal, the less likely the person is to engage in absenteeism.² Job satisfaction is a complex issue that typically involves a worker's motivation on the job, commitment to the firm, and any intention to permanently leave. Their pay, their relationships with co-workers and supervisors, and their general view of the firm can also affect it.
- *Working conditions*
When working conditions are difficult or onerous, including conditions related to health and safety, workload, shift work, and schedule is relatively inflexible (e.g. in arriving and leaving for a shift), the likelihood of absence increases.³
- *Group norms*
Does the group in which a worker functions frown on unwarranted absenteeism, perhaps because it means that they will have to "pick up the slack?" Alternatively, does a worker contemplating an absence see that a certain amount of absence is "normal" because of management's "attendance control policy?" It appears that group norms do affect workers'

¹ See Gignac et al 1996; Winkelmann 1997; Leigh 1983.

² See Gignac et al 1996; Winkelmann 1997; Sagie 1998; Chaudhury and Ng 1992.

³ See Johansson and Palme 1996; Drago and Wooden 1992; Leigh 1983.

behaviour and that management policies (e.g. degree of monitoring; penalties; or reporting) do affect absenteeism behaviour.⁴

- *Demographic characteristics that proxy other factors at work*
Characteristics, such as gender or age, can also be associated with absenteeism, essentially because they are associated with other underlying factors. For example, women tend to bear most of the family responsibilities, and older workers tend to have more health problems, on average; both family responsibilities and poor health are associated with higher absenteeism.⁵

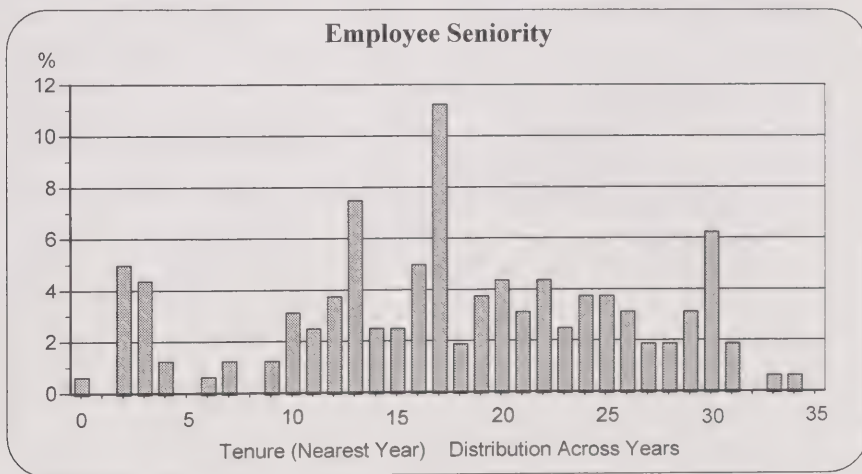
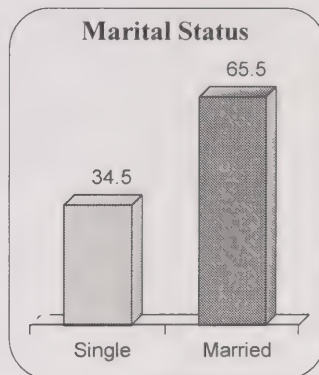
Absenteeism can be the result of simply "wanting a day off." But it is often a symptom of a problem or set of issues that are caused by other, underlying factors. In these cases, the absenteeism serves as a reaction of the employee to an undesirable circumstance or, in other cases, as a "safety valve" that allows the employee to cope with other demands in their life.

Key Findings of the Survey

Main Characteristics of the Seaway Employees

The employees of the St. Lawrence Seaway are employed at worksites distributed through Quebec and Ontario. They work long shifts and, in some cases, in small groups responsible for particular locks.

According to the survey, over 60 per cent are married and the majority of employees have a level of seniority between roughly 12 and 28 years, although the range in seniority is from under 5 years to over 30 years.



⁴ See Johansson and Palme 1996; Gellatly and Luchak 1998; Drago and Wooden 1992; Chaudhury and Ng 1992; Winkler 1980).

⁵ See Johansson and Palme 1996; Winkelmann 1997; Drago and Wooden 1992; Leigh 1983.

Perceptions about the Job and Work Environment

a) Job Content

Job responsibilities and skill requirements are perceived as having increased, but half of the employees indicate that training was not provided.

Among employees who indicated that the number of workers at their worksite had been reduced (around 80 per cent over the past five years; and roughly 55 per cent over the past one year):

- (i) fully 96 per cent indicated that tasks or duties had been added to the job;
- (ii) over 80 per cent indicated that the skills required to perform the job had increased; and
- (iii) approximately 50 per cent indicated that they had received training to cope with the change while one-half reported that they had not.

b) Work Load and Effort

Most employees rate their job as requiring a fairly high degree of physical effort; it appears to be associated with less positive job outcomes (e.g. in areas such as satisfaction or views about learning).

Work load tends to be perceived as "about right" to heavy, and employees perceive that work effort has, on average, increased.

Perceive job as requiring a high degree of physical effort, is associated with:

- satisfaction is lower—tiring work schedule;
- have not continued to learn in their job nor do they learn new skills;
- views about change not taken into account;
- recent changes have NOT improved operations;
- average daily workload is too high;
- work is risky and they use sick leave to manage risk;
- not enough time off to strike work/family balance;
- would use less sick time if more replacement workers;
- but, able to take time off on short notice;
- sick time has increased since "comp time" removed.

c) Satisfaction

The majority of employees feel that their job satisfaction is lower now than previously. Higher satisfaction appears to be associated with a range of positive work outcomes (e.g. caring about work; learning; injury). More satisfied workers tend to be those who view their jobs as less risky.

Higher levels of satisfaction than when first hired, is associated with:

- care more about work;
- continue to learn things, skills, techniques;
- believe their views about change have been taken into account and that changes over past two years at Seaway have improved operations;
- do not view work as risky; do not feel tiredness/illness increase risk and do not use sick leave to manage risk;
- view time off for family as adequate and say it is easy to get time off on short notice;
- do not take sick time to rest, would not use less sick leave even if replacement workers were available;
- sick leave has not increased since "comp time" provision removed;
- less likely to have had a serious illness or injury;
- believe attendance rules are followed consistently and fairly.

d) On-the-Job Learning

Employees continue to learn new skills on their jobs. Employees who agree that they tend to learn new things on their jobs tend to be associated with positive work and job outcomes (e.g. views about change).

Continue to learn new things, on the job, is associated with:

- believe their views about change have been taken into account and that changes over past two years at Seaway have improved operations;
- do not perceive work as risky or that tiredness or illness increase risk and do not use sick leave to manage risk;
- less likely to have had a serious illness/injury;
- do not need sick time to rest;
- believe time off for family is adequate and it is easy to get time off on short notice;
- would not use fewer sick days even if replacement workers were available;
- believe attendance rules are clear.

e) Risk and Accidents

Most employees tend to view their jobs as risky. Injury appears to be less frequent among older workers and may be associated with risky work and less positive job experiences.

f) Employees' Preferences for Alternative Job/Employment Conditions
"How important would it be to obtain improvements in these areas?"

Shift Work, Overtime and Time Off
Obtaining changes in these categories did not appear to be a major issue among employees.

Physical Work
While obtaining less physical work did not seem to be too important, obtaining a somewhat lighter workload was somewhat important.

Safety and Wage Improvements
Obtaining improvements in both wages and safety were viewed as quite important.

g) Work-Family Considerations

Achieving work-family balance may be a significant challenge for a sizeable portion of the workforce (i.e. around one-third).

- Many employees indicated that they had outside (of work) family responsibilities (e.g. over 80 per cent indicated they cared for an elderly relative);
- About one-third of employees indicated that they felt that they did not have adequate time off to achieve work-family balance or that it was easy to get a leave day on short notice.

h) Supervision and Job Satisfaction

Employees' Relationship with Their Supervisor(s)

Employees' relationships with their supervisors tend to be quite positive and constructive across areas of concern, including:

- fair treatment;
- consideration of their views;
- communication (over performance expectations) and consultation;
- having ideas sought;
- health and safety, including supervisor awareness of hazards and agreement on safety concerns.

Perceptions about Attendance—Sick Leave Usage and Absence

Attendance Rules and Their Application

Rules are perceived as clear and understood. While a sizeable minority agreed that attendance rules were followed consistently and fairly, a sizeable minority indicated that rules may not be followed consistently or fairly, and a majority indicated that they perceived that sick time abuse is not subject to discipline.

Monitoring the Use of Sick Time and Allocation of Additional Sick Days

On average, respondents felt that sick time usage would not decrease if a medical note were required; roughly 40 per cent of employees indicated they would book off sick to manage job risk while over one-half would book off sick to rest or attend to family.

If employees had an additional sick day, roughly one-half would prefer to use it as a personal day.

Views Regarding the Valid Use of Sick Leave

Most employees felt it is valid to use sick time for injury, illness or stress. Most employees also feel it is valid to use sick time for family requirements (e.g. sick child).

Conclusion

Since the vast majority of employees were surveyed, the resulting sample was very representative, from a statistical point of view. The data were collated for each question on the survey and statistically analyzed. The survey project yielded several key conclusions:

- Stricter reporting requirements (e.g. verification of illness) would probably reduce some sick leave usage, although an enforcement approach would probably not resolve the issue because absenteeism appears also to be a symptom of other, perhaps more important, underlying factors affecting employees.
- There appears, in fact, to be a range of uses or reasons for taking time off among the employees including: job related (i.e. working conditions); and family/personal related requirements. Both types of requirements for time off are viewed as "needed" by a sizeable number of workers. They point to the major finding that employees appear to have major family-related responsibilities and that these responsibilities may be creating significant work-and-family time conflicts and pressures.

The results suggest that a comprehensive approach to addressing the attendance issue is required because there are a variety of factors affecting attendance and these factors have significance beyond the attendance issue.

Workers who currently use relatively high levels of sick leave would likely use less time if:

- they did not experience a serious injury or illness;
- work were not as risky, did not require a high degree of physical effort, and workload not so high;
- they did not need to cover for absent co-workers;
- there were more replacement workers;
- the shift schedule was less tiring;
- it were easier to book time off on short notice;
- they were better able to balance work/family;
- a doctor's note were required.

To reduce absenteeism the parties could seek to:

- take workers' views about change into account;
- provide opportunities to learn new things, skills, techniques;
- ensure attendance rules are clear and are followed consistently and fairly;
- focus on employee satisfaction;
- ensure shift schedules not too tiring or demanding-workers differ in stamina;
- allow sufficient time off, and flexibility, to balance family and work.

The absenteeism issue is relevant and important to both CAW and the management of the Seaway, in view of the underlying stresses it reflects for workers and the costs it represents to management. Aspects of this issue can be addressed through collective bargaining, but

it is in the interests of both parties to take a long-term perspective and work jointly and cooperatively to address these issues.

For more information, contact:

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Gary Fane at (416) 399-6524.

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The views and opinions expressed in this document do not necessarily reflect the position of the Labour Program, Human Resources Development Canada.

*The project was made possible by financial assistance from the
Labour-Management Partnerships Program,
Federal Mediation and Conciliation Services,
Labour Program, Human Resources Development Canada.*

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Website: http://labour-travail.hrdc-drhc.gc.ca/sfmc_fmcs/index.cfm/english

Update

ON FAIR WAGES AND APPRENTICE TABLES

Labour Standards
Operations Directorate, Labour Program
Human Resources Development Canada



Since it came into force in 1935, the *Fair Wages and Hours of Labour Act* has helped create certainty for Canadian construction workers. The *Act* was passed before provinces had minimum wage legislation; it provides that all persons employed on a government construction contract be paid a wage that is accepted as current in the location where the work is being done.



The legislation ensures that the expenditure of public funds does not lead to the exploitation of labour and that bids on government contracts are not based on substandard wage rates. The *Act* ensures the local workforce is not excluded from work opportunities by contractors bringing in workers from areas where wages are generally lower.



For many years, the government published fair wage schedules on a regular basis. In 1983, publication of the schedules was discontinued and they were replaced by *ad hoc* surveys related to individual complaints. In 1997, after

an absence of almost 15 years, the then Minister of Labour announced the reinstatement of fair wage schedules.

However, the *Act* and its regulations only covered competent—or journeyman—workers. This fact forced the industry to pay non-journeyman level workers at the qualified journeyman rate, which in effect, barred apprentices and other trainee construction workers from federal construction work sites.

The Labour Program, Human Resources Development Canada, undertook to find a way to include trainee level workers into the fair wage schedules without contravening the *Fair Wages Act*. The solution: base apprentice tables on provincially established apprenticeship programs. Not only would this guarantee consistency across the country, it also satisfies the terms of fair wage legislation. As of December 2002, apprentice tables have been attached to fair wage schedules.

For more information on fair wage schedules and Statistics Canada survey information please contact Brenda Lester or visit http://info.load-otea.hrdc-drhc.gc.ca/fair_wages/home.shtml/.

Skills and Training in the Non-Profit Sector

KATHRYN MCMULLEN AND GRANT SCHELLENBERG

OF THE CANADIAN POLICY RESEARCH NETWORKS

Interest in the non-profit sector has surged in recent years, along with recognition of the contributions of the sector, socially, culturally and economically. But, while we have begun to learn more about volunteers and charitable giving,¹ relatively little is known about how the sector and organizations within it are organized. In particular, there has been a notable absence of information about paid employees and human resource issues in the sector.

Using data on non-profit status and industry classification, we classify employers and employees into three sectors, which are further subdivided into sub-sectors:

- *For-profit*;
- *Quango* (non-profit organizations in "quasi-public" industries, including elementary/secondary schools, colleges/universities, hospitals and public infrastructure);
- *Non-profit* (culture, recreation and associations; health, education and social services; and other non-profit industries).

The 1999 Workplace and Employee Survey

Data for the analysis were taken from Statistics Canada's 1999 Workplace and Employee Survey. For the purposes of our analysis of the non-profit sector in Canada, the following key features of the *Survey* are worth noting:

- Data were collected from a nationally representative sample of workplaces and paid employees in those workplaces;
- The survey *includes* only workplaces that have at least one paid employee; it does not include workplaces run entirely by volunteers, nor does it include volunteers who work alongside of paid workers;
- The survey *excludes* religious organizations and establishments in government, some primary industries, and the Territories.

Employee Perceptions of Skill Requirements

Minimum Education Requirements

Overall, 61 per cent of employees of non-profit organizations believed that a postsecondary credential (university, college or a trade certificate) was necessary to do their job. This was a far higher share than was the case for employees in the for-profit sector (36 per cent), but lower than in the quango sector (70 per cent).

¹ See Statistics Canada, *National Survey of Volunteering, Giving and Participating*.

Perceptions of minimum educational requirements partly reflect the occupational composition of employment in the three sectors, with managers and professionals—many of whom require a postsecondary education—accounting for relatively larger shares of employment in the non-profit and quango sectors than in the for-profit sector.

Changes in Skill Requirements and Technological Complexity

About half of employees in both the non-profit and the for-profit sectors reported increases in overall skill requirements since beginning their current jobs. This was somewhat lower than in the quango sector, where close to two-thirds of employees reported increasing skill requirements.

Perceptions of increasing skill requirements were comparable for non-profit and for-profit employees within professional, technical/trades and clerical/administrative occupations. However, managers in the non-profit sector were much less likely than those in other sectors to report that the skill requirements of their jobs had increased. Further research is needed to identify why this is the case. One possible explanation is that non-profit managers have always functioned in a complex environment and see less change in skill requirements.

Perceptions of increases in technological complexity were roughly similar for professionals in all three sectors. However, managers and technical/trades occupations in the non-profit sector were less likely to report increasing technological complexity than their counterparts in the quango and for-profit sectors. In part, these differences reflect differences across sectors in the extent to which employees use computers at work. For example, close to two-thirds of employees in the for-profit finance and business and information and culture industries reported using a computer for at least half of their workday. This compares to only 14 per cent of employees in non-profit health, education and social services.

These variations highlight fundamental differences across employees in different industries. Many employees in the non-profit health, education and social services sub-sector are in "caring" professions—they are nurses, doctors, teachers and social workers. The non-profit culture, recreation and associations sub-sector includes professionals in the performing arts and workers in museums and sports organizations.

Computers have not yet replaced many of the services provided by such professionals.

This means that while workers in the non-profit sector will undoubtedly need to adapt to new computer technologies in the workplace, large segments of the sector will be faced with a need to adapt to other kinds of skill shifts as well. This implies that training needs will be no less important than in other sectors, but that they may encompass different kinds of skills.

Employer-Sponsored Training

Importance Attached to Increasing Employee Skill Levels

Employers in all three sectors rate the importance of increasing employee skills highly, with close to 70 per cent rating this as an important or crucial part of their organizational strategy. There is a relationship between the importance attached to increasing employee skills and establishment size. While virtually all establishments in the non-profit sector with 20 or more employees rated increasing employee skills as an important or crucial part of their organizational strategy, this was the case for only about 30 per cent of establishments with fewer than 20 employees.

At a more detailed industry level, employers in the non-profit health, education and social services and culture, recreation and associations industries ranked in the middle in terms of the proportions rating increasing employee skills as important or crucial. The two quango industries and the for-profit information and culture industry ranked highest in this regard.

Employers paid more than lip service to the importance of increasing employee skills—the percentage of establishments that provided training to at least some of their employees in the previous year was in fact higher for employers who rated the importance of increasing employee skill levels highly.

Provision of Training by Employers

Both small and larger establishments in the non-profit sector were more likely than their for-profit counterparts to provide training for their employees. This was especially evident in the case of classroom training,² and the provision of subsidies, reimbursements or other assistance for training or courses taken outside paid working hours. Training in the for-profit sector was more likely to consist of on-the-job training.

Who Gets Training

Almost half of employees in the non-profit and quango sectors reported having participated in training in the previous year, compared to about one-third of employees in the for-profit sector. Women and employees aged 35–44, and especially those 45 years or older, in the non-profit and quango sectors were much more likely than their for-profit counterparts to have received classroom training in the previous year. The quango sector ranked highest in this regard.

Managers in the non-profit sector were much more likely to have received classroom training than managers in the for-profit sector (56 per cent and 41 per cent, respectively), while the incidence of training among professionals was similar in the two sectors (57 per cent and 53 per cent, respectively).

In all three sectors, employees with a university degree were more likely to have received training than other groups.

The non-profit sector is set apart by the fact that the rate of participation of women in training was higher in every occupational and educational group, especially compared to the for-profit sector. This "non-profit training premium" was relatively high for women with a college education or some-postsecondary education, and was higher still for women whose highest level of education was high-school completion or less.

Professional training was the most common type of training reported by employees in the non-profit sector, whereas computer software training was most common among employees in the quango and for-profit sectors. However, large percentages of employees in all three sectors classified the training they had received as "other." A goal of future research should be to identify this training more specifically.

Perceived Adequacy of Training

About 36 per cent of employees in the non-profit sector and 38 per cent of those in the quango sector said that the amount of training they received was too little for the demands of the job; this compares to only 27 per cent of employees in the for-profit sector. The gap between the for-profit and non-profit

² Classroom training is defined in the Workplace Employee Survey as all training activities that have a pre-determined format and objective, with specific content, and with progress that can be evaluated or monitored.

sectors on the perceived adequacy of training is evident across occupation and establishment size. The analysis suggests that training does make a difference for non-profit employees, insofar as individuals who had received training were more likely than others to feel prepared to do their job. This was not the case for employees in the quango and for-profit sectors, however, where regardless of whether an employee had received training or not, similar percentages reported that the amount of training was inadequate. Compared to employees in the quango and for-profit sectors, however, non-profit employees were somewhat more likely to say that the amount of training available had decreased since they began working for their current employer and were somewhat less likely to say that it had increased.

Conclusion and Research Gaps

Given the concerns that have been expressed about the pressures facing many organizations in the non-profit sector, the incidence of training might have been expected to be lower in the sector compared to other sectors. But the evidence suggests that on a number of training indicators, the non-profit sector performs better than the for-profit sector (though on most dimensions, the performance of the quango sector is strongest). But, having information on the incidence of training is only the beginning of the story. More research is needed on a number of important issues. These include the need for:

- Analysis over time. Having data for 1999 provides only a snapshot and cannot tell us about overall trends—for example, was 1999 a "typical" year or was there an element of "catch up" at work?;
- Analysis of trends in skill requirements and whether the amount of training that is given is adequate to meet changing skill needs;
- Analysis at the level of individual industries, to identify where finding the resources to invest in employee training remains a problem for individual organizations or parts of the sector;

- Analysis of the effectiveness and relevance of the training that is given and of the scope employees have for applying newly-acquired skills in the workplace; and
- Analysis of specific skill requirements within non-profit sub-sectors, including the development of skills profiles and identification of training requirements.

Like other sectors of the economy, the non-profit sector has been affected by broad structural changes taking place in the national and global contexts. Deep and very fundamental changes are having significant impacts on the sector, with implications for skill requirements and training. It is important that the sector continue to deepen its understanding of what its skill and training needs are as it works to meet the organizational and human resource challenges posed by change.

Document No. 3 CPRN Research Series,
dated March 2003, summarized here, is available at
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Viewpoints 2002

Healthy Workplace Practices

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This report summarizes key findings on healthy workplace practices from the Canadian Labour and Business Centre's Viewpoints 2002 Survey. In April and May 2002, the Centre surveyed 1,145 business and labour leaders, drawing from a sample of about 6,000 leaders from the business, labour and public sector (education, health, and government) communities to determine their perspectives on a wide range of issues covering many topics.

Specific survey questions were meant to assess the presence or absence of different health, safety and wellness features, identify changes in various aspects of workplace wellness, and seek out factors responsible for changes in workplace wellness. Given differences in the wording of some questions, findings from management representatives are discussed separately from those of labour representatives.¹ Where relevant, results are broken down between the private and public sectors.

Research on the determinants and costs of workplace diseases supports the notion, expressed in the 2000 Viewpoints Survey by business and labour leaders, that psychosocial factors such as morale, trust and good working relationships play an important role in maintaining or improving workplace health, and that their absence can be costly. On this subject, a 1998 study of the costs of work-related diseases in German workplaces found the direct and indirect costs from psychological workload—such as stress and low control over work—to be almost as high as those from physical workload (Breucker 2002). In the Canadian context, Shain and Shehadeh (1990) established that there is a demonstrable connection between sense of control over work and individual health and wellness.

Incidence of Healthy Workplace Practices

Survey participants were asked to indicate which specific safety, health or wellness features are present in their organization. They were provided with a list of 10 key features to choose from, ranging from health and safety committees to flexible work hours, wellness committees to wellness needs assessments. Some of these features are not, strictly speaking, wellness programs but they all contribute, directly or indirectly, to employee well-being and workplace health.

Starting with management views, our results indicate that joint safety/health committees represent the most common safety/health/wellness features found in both private and public sector organizations,

¹ For example, labour representatives were asked to identify healthy workplace features in "organizations where their members work," whereas management representatives were probed on the presence of such features in their own organization only. Labour leaders were asked to indicate, for each of 10 suggested features, whether it was present in less than 10 per cent, 10-25 per cent, 26-50 per cent, or over 50 per cent. For the purpose of the analysis presented here, only when a given feature is present in at least 50 per cent of the organizations where members work is it considered to be present.

according to 65 per cent of managers in the private sector and 85 per cent of those in public sector organizations (Table 1). By contrast, only a small proportion of both private and public sector managers (31 per cent and 26 per cent, respectively) have alluded to the presence of self-directed work teams, and 12 per cent of private sector managers and 27 per cent of their public sector counterparts indicated the presence of wellness needs assessments.

The incidence of safety/health/wellness features appears to be higher overall in the public than in the private sector, owing in part to the fact that organizations in that sector are larger on average, and that they are more unionized than their private sector counterparts.² As shown in the table, the incidence of safety/health/wellness features is higher in the public than in the private sector in 6 out of 10 workplace health features (for three of these features, by more than 20 per cent).

Several of the features designed to increase employees control over their work environment—such as self-directed work team and joint wellness committees—are not the most frequently found ones, since they exist in less than 35 per cent of managers' workplaces. Such results may signal a lack of awareness about the potential benefits of increasing employee involvement in decision-making, as suggested by recent research.³

Table 1

'Please indicate which safety/health/wellness features are present in your organization'
by private and public sectors

	Management Responses		Labour Responses	
	Private Sector (%)	Public Sector (%)	Private Sector (%)	Public Sector (%)
Joint safety/health committees	64.5	84.9	73.1	67.4
Flexible working hours	53.5	50.9	6.1	16.0
Employee involvement initiatives	51.6	45.0	8.7	11.6
Work/life balance initiatives	32.8	30.2	4.5	6.6
Lifestyle information	32.5	56.4	16.7	23.2
Monitoring of safety/health/wellness impacts	31.3	39.2	18.2	14.4
Self-directed work teams	30.8	26.1	7.6	13.3
Active lifestyle programs	19.8	41.2	11.7	14.4
Joint wellness committees	14.7	30.9	11.7	11.0
Wellness needs assessments	11.7	26.5	10.6	7.7

Source: Canadian Labour and Business Centre, *Viewpoints 2002*.

² In terms of organization size (as reported by managers), 36 per cent of firms in the private sector have less than 30 employees, compared to 10 per cent for public sector firms. Conversely, 21 per cent of surveyed private sector organizations have 500 or more employees, significantly less than the 49 per cent of public firms reporting the same range of numbers of employees. Likewise, 85 per cent of public sector managers reported the presence of unions in their workplace, compared to 33 per cent of their private sector counterparts.

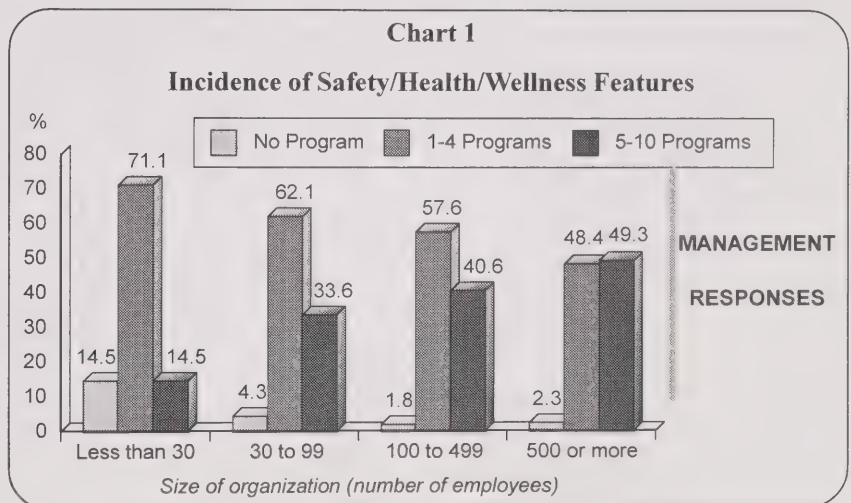
³ Breucker (2002) reported that low control in the workplace was the second most important factor contributing to work-related diseases in a 1998 study of German workplaces. In the Canadian context, Shain and Shehadeh (1990) developed a general model of influences on wellness in the workplace that establishes a direct link between sense of control over work and individual health and wellness.

When compared to management responses, the views of *labour leaders* differ in terms of the incidence of safety/health/wellness features. Labour leaders generally reported fewer such features in organizations where their members work than were reported by managers. As Table 1 can attest, *joint safety/health committees* were by far the most popular form of safety/health/wellness features found in at least 50 per cent of organizations, reflecting the fact that those committees are required by legislation and that they are generally well-known to labour. They are slightly more prominent in private sector organizations (73 per cent) than in their public sector counterparts (67 per cent). These committees were also reported by managers as the most popular form of safety/health/wellness features.

Generally speaking, the views of public sector leaders do not significantly differ from those of private sector respondents, except perhaps that twice as many respondents from the public sector than from the private sector reported the presence of flexible working hours. Except for *lifestyle information*, which was found in 23 per cent of public sector organizations, no other workplace health features were reported by more than 20 per cent of labour leaders in either the private or the public sector, a percentage much lower than was the case with management responses. Again, this lower incidence may largely be due to differences in how the question was asked.

In its recent report summarizing 12 case studies of healthy workplace initiatives, the Centre found that "the involvement of employees in the decision-making around workplace health is critical to the success of a healthy workplace program." The same report found that size matters, in that there tends to be more wellness programs—and a broader range of programs—in the larger firms. Such findings seem to be supported by the

Viewpoints 2002 results, where a correlation between firm size and number of features was found (Chart 1). Only 15 per cent of organizations with less than 30 employees had between 5 and 10 safety/health/wellness features, compared to 49 per cent of those with 500 or more employees. The former group also contains the highest proportion, 15 per cent, of organizations that offer no such features.



Source: Canadian Labour and Business Centre, *Viewpoints 2002*.

Changes in Overall Health in the Workplace

In order to identify trends in healthy workplace indicators, a question was asked about how the overall health in organizations has changed over the past two years. The results indicate that managers generally assess more positively than labour leaders changes in

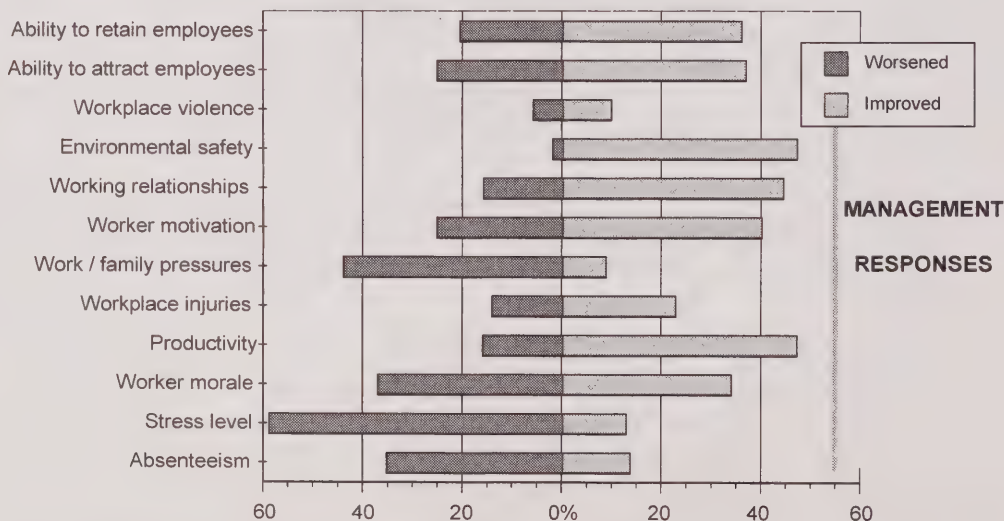
overall organizational health. Furthermore, the views of respondents from the public sector tend to be less positive than those of private sector respondents. Such findings appear to support the mounting body of evidence pointing to labour shortages—and associated increase in workload—in public sectors such as health and education as a factor responsible for deteriorating workplace health. Breaking down the survey results by sector appears to support this assertion.

The survey has also shed light on the specific aspects of the workplace that have improved or worsened over the past two

years, providing a sense of how various aspects of workplace health had evolved and what their contribution to overall workplace health may be. Respondents were asked to indicate whether each of 12 aspects of the workplace had improved or worsened over the past two years. The results for managers are found in Chart 2 and those for labour leaders in Chart 3. At a broad level, one finds a considerable degree of congruence between management and labour in terms of the five key aspects of the workplace that have worsened over the past two years, and the two or three that have improved.

One can observe from management responses (Chart 2) that there is a certain polarization of views for several aspects of workplace health, meaning that as many respondents reported an improvement as those reporting a worsening. This phenomenon can be seen for worker morale. The same can be said, albeit to a lesser degree, in the areas of *ability to retain employees* and *ability to attract employees*. The reasons explaining such polarizations are unclear, but it probably has to do with the fact that respondents represent industries and come from regions that result in very different workplace characteristics.

Chart 2
Aspects of the Workplace that Improved or Worsened Over the Past Two Years



Source: Canadian Labour and Business Centre, *Viewpoints 2002*.

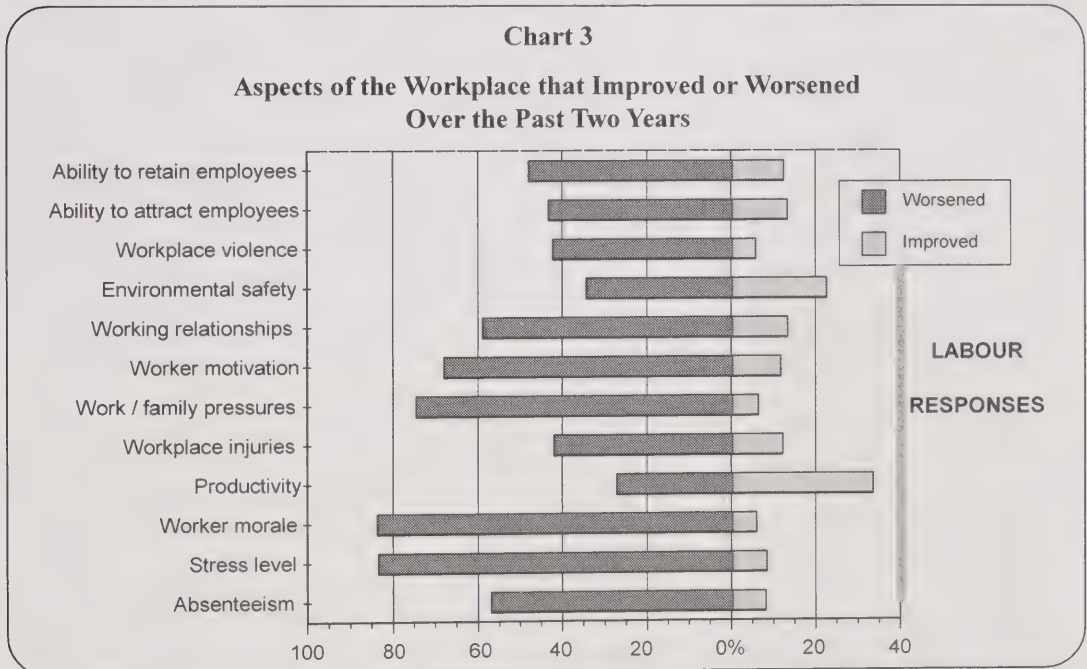
In terms of individual aspects of the workplace, *productivity* and *environmental safety* are the ones where the highest proportion of respondents reported an improvement (46 per cent), followed by *working relationships* (43 per cent). By contrast, *stress level* (58 per cent) followed by *work/family pressures* (42 per cent) and by worker morale (36 per cent) represent the aspects of workplace health where the highest proportion of management respondents reported a worsening. Some of these findings are in line with a recent national survey on wellness, which found *stress level* to be the number one health risk concerns within surveyed organizations.⁴

Overall, though, components that have worsened the most tend to relate to wellness or psychosocial aspects of the workplace, whereas those that have improved the most relate to more diverse aspects of the organizations' health.

By comparison, the views of *labour leaders* reported in Chart 3 show some similarities to those of business leaders in the relative ranking of several factors identified to have worsened, such as *stress level* and *work/family pressures*. Beyond that, however, labour respondents reported overwhelmingly that most aspects

of the workplaces where their members work have worsened. In only one area, *productivity*, did more respondents—33 per cent of all responses—report an improvement than a worsening (23 per cent). Environmental safety ranks second in terms of aspects of the workplace that have improved over the past two years, with 22 per cent of responses, but an even larger proportion of respondents (34 per cent) mentioned that it had actually worsened.

Aspects of the workplace that relate to psychosocial concerns of employees—as opposed to physical health or safety issues—were those identified



Source: Canadian Labour and Business Centre, *Viewpoints 2002*.

⁴ Buffett Taylor & Associates, *National Wellness Survey Report 2000*.

by the largest numbers of respondents as having worsened: 84 per cent of labour leaders reported a deterioration of both *worker morale* and *stress level*, 75 per cent reported mounting *work and family pressures*, and 68 per cent indicated a worsening in *worker motivation*. These results speak to widespread concerns among labour leaders about a degrading work environment, which may be brought about by increasing work pressures and other factors (see next section).

Factors Responsible for Changes in Workplace Health

In order to better understand the causes behind observed trends in workplace health, respondents were asked to identify the major factors behind the worsening or improvement in workplace health, selected from a list of 10 possible factors. Table 2 provides a detailed account of management and labour leader responses regarding the factors responsible for a worsening in workplace health. Overall, managers and labour leaders agree on the aspects contributing the most to a worsening in workplace health—increased workload, worsened communications/trust, and worsened work/family balance. Conversely, managers and labour leaders also agree in terms of aspects of workplace that contribute the least to a worsening in workplace health, namely a decreased focus on safety and health, and reduced employee training. By and large, the most important aspects relating to a worsening in workplace health relate to overall workplace organization, while the least important ones relate to actual wellness initiatives.

Table 2

'What are the major factors behind the worsening in workplace health?'
over the past two years, by private and public sectors

	<u>Management Responses</u>		<u>Labour Responses</u>	
	<i>Private Sector</i> (%)	<i>Public Sector</i> (%)	<i>Private Sector</i> (%)	<i>Public Sector</i> (%)
Increased workload	65.6	84.1	88.2	96.6
Worsened work/family balance	32.8	53.1	50.0	58.9
Worsened communications/trust	29.7	48.7	72.9	70.5
Increased technological change	15.6	33.6	34.7	37.7
Worsened job security	32.8	28.3	64.6	45.2
Reduced employee influence	23.4	25.7	54.2	71.9
Other	10.9	17.7	35.4	37.0
Reduced employee training	9.4	13.3	37.5	28.1
Reduced organizational success/profitability	42.2	13.3	31.3	13.7
Decreased focus on workplace wellness	4.7	10.6	35.4	37.0
Decreased focus on safety and health	4.7	2.7	35.4	21.1

Source: Canadian Labour and Business Centre, *Viewpoints 2002*.

For those *managers* who indicated a worsening in overall workplace health, the views of public and private sector representatives differ somewhat in terms of the relative ranking of factors, except that both ranked *increased workload* as the number one factor. Eighty-four per cent of public sector managers and 66 per cent of their private sector counterparts identified this factor as a major one. In the public sector, other factors contributing to a worsening of workplace health are worsened *work-family balance*—identified by 53 per cent of respondents from this sector—and *worsened communications and trust* (49 per cent). In the private sector, factors ranking the highest (but below *increased workload*) are *reduced organizational success/profitability* (42 per cent) followed by *worsened work-family balance* and *worsened job security* (both at 33 per cent).

Such findings are consistent with those from labour leaders, who also ranked *increased workload* number one (Table 2). Moreover, they appear to be consistent over time as well, since in the *Viewpoints 2000* survey the most often cited factor explaining a worsening of workplace health was the "more work—less people" phenomenon. It could be that mounting labour shortages and the widespread "rationalization" of operations (downsizing) which took place in the 1990s have been taking their toll on employees. These factors may be affecting public organizations to a greater extent than private sector firms. Views are also fairly consistent among private and public sector respondents in terms of the most important factors.

However, views differ between private and public sector respondents as to what factors come second and third. For public sector labour leaders, *reduced employee influence* (72 per cent) and *worsened communications and trust* (71 per cent) represent the second and third most important factors, whereas *worsened communications and trust* (73 per cent) and *worsened job security* (65 per cent) are the choices made by private sector leaders. Overall, these findings suggest that the causes of deteriorating workplace health are numerous, but they seem to be more closely associated with psychosocial issues than with health and safety, or organization performance, concerns.

Turning to factors responsible for an improvement in workplace health, *management representatives* reported that *improved communications and trust* was identified by the vast majority of both public (70 per cent) and private (79 per cent) sector managers as a major factor behind the improvement (Table 3). For public sector managers, other factors of importance include

increased employee influence (47 per cent of respondents in this group) and *increased employee training* (43 per cent). In the private sector, other factors ranking high include *increased employee training* and *improved organizational success/profitability* (both at 55 per cent).

In addition, 36 per cent of public sector managers—versus only 18 per cent of private sector ones—have identified *improved wellness programs* as a major factor contributing to improvement in workplace health. This finding suggests that the concept of employee wellness may be gaining ground more rapidly in the public than in the private sector, but it is still relatively unfamiliar to both groups. In their 2000 National Wellness Survey Report, Buffett Taylor & Associates reported that a modest 18 per cent of survey participants offer a comprehensive wellness program, thus supporting some of the *Viewpoints 2002* findings.

For *labour representatives* who reported an improvement in workplace health over the past two years, views differ somewhat between the private and the public sector in terms of the major factors responsible for it (see Table 3). For private sector labour leaders, factors such as *improved health/safety programs* (75 per

Table 3

'What are the major factors behind the improvement in workplace health?'
over the past two years, by private and public sectors

	Management Responses		Labour Responses	
	Private Sector (%)	Public Sector (%)	Private Sector (%)	Public Sector (%)
Improved communications/trust	79.0	70.4	53.2	63.6
Improved organizational success/profitability	54.7	27.2	27.7	0.0
Increased employee training	54.7	43.2	63.8	36.4
Increased employee influence	52.5	46.9	48.9	27.3
Improved safety/health programs	52.5	40.7	74.5	54.5
Redistribution of work	27.1	30.9	19.1	27.3
Improved job security	24.3	21.0	29.8	9.1
Improved work/family balance	22.7	16.0	17.0	18.2
Improved alternate work arrangements	19.9	21.0	19.1	36.4
Improved wellness programs	18.2	35.8	8.5	27.3
Other	8.3	9.9	2.1	9.1

Source: Canadian Labour and Business Centre, *Viewpoints 2002*.

cent), *increased employee training* (64 per cent), and *improved communications and trust* (53 per cent) were cited most often as contributing factors. For their public sector counterparts, *improved communications and trust* (64 per cent) and *improved safety/health programs* (55 per cent) were the most popular selections. Thus, psychosocial factors seem to have less influence in improving workplace health than they do in worsening it, except perhaps in terms of the impact of *communications and trust*, which can significantly influence workplace health, either negatively or positively.

Further insights into trends in workplace health can be

gained by matching the incidence of safety/health/wellness features with trends in overall workplace health, as depicted in Chart 4 for *managers responses* and in Chart 5 for *labour representatives*. In its recent (2002) workplace health research project, the Centre found anecdotal evidence of public and private sector organizations where wellness programs have impacted positively on organizational performance—measured by reduced absenteeism, reduced worker compensation claims, and lower turnover rates, and so on—and employee well-being.

Overall, survey results indicate that labour and management views do not differ broadly, in that the incidence of safety/health/wellness features is positively correlated with the likelihood of an improvement in workplace health over the past two years. Within each group, however, the perspectives differ between private sector and public sector respondents.

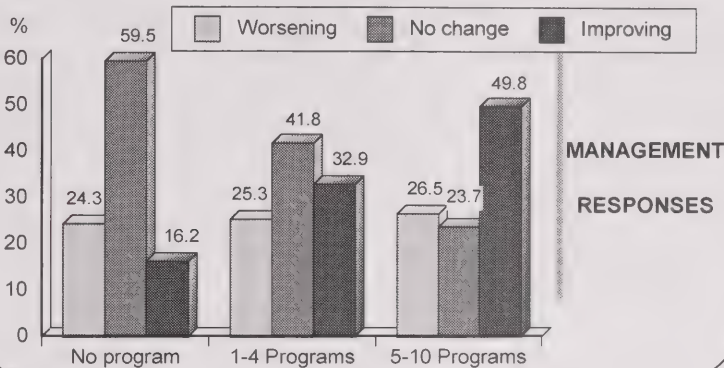
Reporting on *management responses*, Chart 4 shows that organizations with the highest number of these features were more likely to see their overall workplace health improve over the last two years than organizations with fewer such features. Fifty per cent of organizations exhibiting 5–10 features saw overall workplace health increase over the past two years, while only 27 per cent of organizations with the same number

of features saw their workplace health worsen. It would seem, thus, that these results from the *Viewpoints 2002* survey partly support the notion that organizations that invest heavily in safety, health and wellness increase the likelihood of improved overall workplace health.

Chart 4

'How has the overall health of your organization changed over the past two years?'

by incidence of safety/health/wellness features within organizations

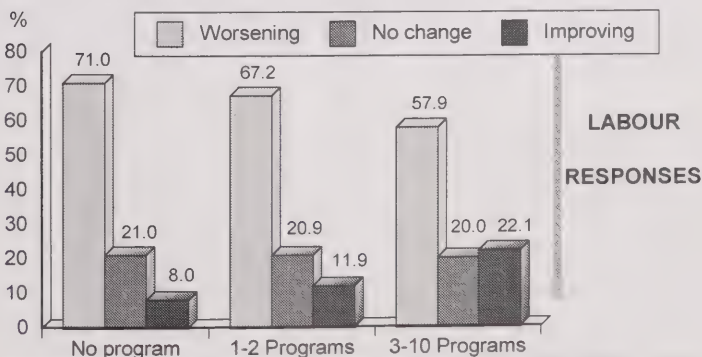


Source: Canadian Labour and Business Centre, *Viewpoints 2002*.

Chart 5

'How has the overall health of your organization changed over the past two years?'

by incidence of safety/health/wellness features within organizations



Source: Canadian Labour and Business Centre, *Viewpoints 2002*.

In Chart 5, tabulation was done on the incidence of safety/health/wellness features against perceptions about changes in overall workplace

health for *labour leaders responses*. The results indicate that labour leaders from organizations with 3-10 safety/health/wellness features were almost three times as likely (22 per cent) to report an improvement in overall workplace health than those representing organizations with no such features (8 per cent). Conversely, 71 per cent of those representing organizations with no safety/health/wellness features reported a worsening in overall workplace health, compared to 58 per cent for those in organizations featuring 3-10 features.

Conclusion

This analysis of the *Viewpoints 2002* survey results provides both a sense of comfort about the seemingly positive impacts workplace health programming can have on overall workplace health, as well as concerns about deteriorating work conditions in many a workplace. Much like what was found in the Canadian Labour and Business Centre's first incursion into leaders'

perception of a healthy workplace in 2000, rapid economic change and the outcome of the restructuring of the early 1990s have left a sizable proportion of both private and public sector organizations with increased workload and stress for their employees. Business and labour, working with their government and education partners, will need to find innovative solutions to the healthy workplace challenges that were identified in this study. The importance of taking immediate action by determining common approaches and solutions. The debate must now move into the workplace.

Confirming a trend identified in other Centre's analyses of the *Viewpoints 2002* results, it was found that labour and management are often at odds in their appreciation of changes in overall workplace health, and of the factors responsible for those changes. While labour generally reported a worsening of overall workplace health, management was inclined to report in larger numbers and on more aspects of the workplace that have improved over the past two years. Both sides agreed, however, that psychosocial factors such as increased communications and trust and greater control over one's work environment are essential in improving workplace health.

That said, it is clear that no factor can be singled out that explains changes in workplace health. In fact, one can think of workplace health and employee well-being as part of a complex web of internal and external influences that, together, contribute to shape organizations. The determinants of workplace health are varied, and the interrelationships between them are multifaceted. There is no silver bullet to better workplace health, but we derive satisfaction knowing that a higher incidence of workplace health features within an organization normally translates into a healthier workplace.

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Health Strikes and Emergency Services in Canada

The Dilemma

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Once again Canada's health care sector has been rocked by strikes. Since 1999 almost 200,000 employed health care workers across the country have engaged in or threatened various forms of job action. If health care labour relations were a national and not a provincial affair and had all of the disputes occurred together, then these disputes would be seen by all as a symptom of a national crisis of epic proportions—a crisis of health care employment.

In every dispute there arises the perennial issue of the right to strike. Should workers whose jobs are considered "essential" have the right to withdraw their labour and should their employers have the right to lock them out? The same issue persists across Canada yet there are many different responses by employers and governments.

The last four years alone illustrate the diversity of approaches and some emerging trends:

- Some 5,000 allied health professionals¹ in 40 hospitals in Ontario staged a one-day walkout in February 2003 to dramatize severe staff shortages and difficulties in bargaining. **Ontario** law forbids all hospital strikes; several affected institutions suspended and reprimanded strikers, members of the Ontario Public Services Employees Union.
- In September/October 2002, allied health professionals in the Health Sciences Association of Saskatchewan held a 29-day strike—the longest health strike in **Saskatchewan** history. It was the first strike in the union's 30 years of existence.

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¹ Allied health professionals, otherwise known as "paramedicals" (not to be confused with ambulance "paramedics") have diagnostic and therapeutic functions: they include laboratory and radiological technologists, respiratory therapists, physiotherapists and social workers.

Saskatchewan health workers have the legal right to strike and the provision of emergency services is voluntarily negotiated between union and management. The provincial NDP government exhibited patience by declining to intervene to end the strike as it did with nurses in 1999. Like other "allied health professionals" across the country, the 2,500 workers had been eclipsed by the more high-profile nurses and saw their working conditions and real wages deteriorate throughout the 1990s.

- The summer of 2002 saw a number of walkouts by nurses in Montréal, **Quebec**, hospitals on the issue of overcrowding in emergency rooms. Emergency Room nurses at the Montreal General Hospital staged their second walkout of the summer when 62 patients were crowded into a ward meant to hold 20. That walkout ended when hospital officials agreed to reduce the number of patients to 47 by transferring some to other hospitals. But soon afterward emergency-room nurses at Sacré-Coeur Hospital walked off the job for three and a half hours citing lack of staff before officials assured them that staffing was due to increase. No disciplinary action was taken against the nurses.
- In the spring and summer of 2002, **Prince Edward Island** nurses, frustrated with the slow progress of bargaining under regime where strikes are not legal, waged a successful campaign of media advertisements that effectively embarrassed the provincial government into negotiating rather than resorting to arbitration. The president of the nurses' union was preparing to sit in in the Premier's office to highlight her members' claims.
- In the spring of 2002, nurses in **Saskatchewan** and **Manitoba**, in separate negotiations, won wage increases of 20 per cent (over a period

of three years in Saskatchewan; over a period of two and a half years in Manitoba). In both cases, nurses had the right to strike and the governments (both NDP) resisted the temptation to take it away (as the Saskatchewan government had done to nurses in 1999). In Saskatchewan, emergency services agreements are voluntary; in Manitoba they are compulsory. In both provinces, the unions had given strike notice but settled before a walkout occurred. A slogan of the Manitoba Nurses Union during their dispute was "Bargaining for the Future of Healthcare."

- A year earlier, in June 2001, **Nova Scotia** faced an impending strike by three groups: registered nurses, licensed practical nurses and allied health professionals. Health care workers had suffered a 10 per cent cut in their real wages since 1991 through wage freezes and rollbacks. Health care strikes are usually legally allowed in that province and emergency services provision is voluntary. But the Progressive Conservative government of Premier John Hamm introduced temporary legislation making the threatened strikes illegal. The legislation also gave the government power to impose the terms of a collective agreement. Allied health professionals actually walked out briefly while the strike was still legal. After massive demonstrations at the legislature, a stinging series of pro-union television advertisements, over 1,600 nurses signing letters of resignation and public opinion turning sharply in favour of the workers, the government withdrew the legislation reached agreement with the unions and the health employers to submit their disagreements to "final offer selection." The arbitrator opted for the unions' proposal for registered nurses but sided with the employers for the other occupations.

- Around the same time, nurses and allied health professionals in **British Columbia** were locked in a struggle with their employers and the new Gordon Campbell Liberal government. Strikes were legally allowed in British Columbia but emergency services agreements were compulsory. After a several-week overtime ban by nurses and a brief walkout by paramedical workers, the government passed legislation outlawing work stoppages for three years and imposing terms of settlement on the unions. A threatened mass resignation of nurses (in Nova Scotia) failed to move the government (which held all but two seats in the legislature). Nurses received a wage increase of 23.5 per cent over three years but other occupations came up with less. Six months later the government legislation ripped up and rewrote many of the employment security provisions in health care collective agreements.
- The same spring of 2001 saw a five-day strike by **New Brunswick** acute health care support staff.² The strike began legally, though under legislative provisions 3,500 of the 6,000 workers had been declared "essential" by the Labour Relations Board and compelled to work. Despite this, the government passed legislation outlawing the strike completely and giving itself the power to impose terms of settlement. Labour and management came to an agreement to avert the strike just before the law could be enforced. A few months later, a legal strike by nursing home employees ended similarly, just before anti-strike legislation could be enforced.
- Yet another strike in a year with more than its share of industrial conflict, occurred in **Newfoundland and Labrador**, where approximately 8,000 support (e.g. licensed practical nurses, housekeeping, dietary, maintenance) workers in hospitals struck for five days in April. The strike was part of a much larger public sector stoppage by 19,000 members of the Newfoundland Association of Public and Private Employees and the Canadian Union of Public Employees. That province allows health care strikes, but imposes third-party resolution of disputes over essential services. Unlike with nurses and allied health professionals two years earlier, the province did not pass legislation this time outlawing the hospital strike, and emergency services were provided until the larger strike was settled with a 15 per cent raise over three years and improvements to the pension plan.
- Even in **Ontario**, where hospital workers do not have the right to strike at all, nurses in the 2001 bargaining round showed their impatience and displeasure with negotiations by implementing work-to-rule policies and refusing to work overtime and extra shifts. Such measures can have almost as much disruptive effect as an all-out strike. Indeed, they are technically strikes under labour law. That the employers did not move to invoke legal sanctions illustrates just how careful they can be not to strike a match in a tinderbox.
- Health care workers in **Alberta** have not had the legal right to strike since 1983. But in the spring of 2000 more than 10,000 licensed practical nurses and other support staff at 159 Alberta hospitals and continuing care facilities walked out illegally for 48 hours. The strike was settled with the personal intervention of Premier Ralph Klein. Under the permanent strike ban, health unions and members engaging in illegal strikes face heavy penalties, which in this case came to

² Support staff include employees in housekeeping, maintenance, dietary and auxiliary nursing.

a \$200,000³ fine for the union and the suspension of dues for two months, costing it an additional \$400,000. Despite these penalties, the illegal strike paid off: though the employer's original offer was 9 per cent over three years, the union won a 16 per cent increase over two years for licensed practical nurses. Support workers also won "no contracting-out" language.

- **Saskatchewan** saw health care strikes handled in two very different ways in 1999 and 2000. While such strikes are not normally illegal, in April 1999 the government intervened to ban a strike by 8,000 nurses as soon as they walked out. Despite protestations by employers that they could not weather a strike, the nurses defied the strike-ban for 10 days and received a court-imposed fine of \$125,000. They settled for 13.7 per cent over three years to break through the government's mandate of 6 per cent over the same period. A year later, the same government, faced with a strike of 12,000 general support workers, *declined* to intervene. Six days later the parties settled at a 9 per cent increase over three years.
 - Ambulance paramedics in **Nova Scotia** went on strike in October 1999, as the law in that province allowed them to do. Recently unionized, they were far worse than health care workers in terms of pay, benefits and hours of work. As it was later to do in the spring of 2001 with nurses and allied health professionals, the Conservative government passed a law banning the strike. Eighteen hours into the strike, the parties reached an agreement to submit the dispute to mediation-arbitration. Unable to resolve the dispute by negotiation, the arbitrator awarded a 20 per cent raise over three years. This did not satisfy the ambulance workers'
- aims, but it was a far greater amount than the government hoped to pay. Coming just before negotiations with other health care unions, the award spooked the government and made it extremely wary of arbitration in the future.
 - Two health care strikes hit **Newfoundland and Labrador** in a year-and-a-half. As in Nova Scotia, health care employees had seen their real wages drop throughout the 1990s from government freezes and rollbacks. Health care strikes are not illegal in that province but the Labour Relations Board can deem a proportion of employees "essential" and unable to strike. In March 1999, the province's 4,600 nurses, at the time the lowest-paid in the country, walked off the job to attain wages closer to the Atlantic norm, more full-time employment and a decrease in their workloads. Nine days into the strike, the Brian Tobin Liberal government passed legislation making the strike illegal, imposing the terms of a collective agreement and threatening heavy fines for individual strikers and their union. The union reluctantly complied. The government's imposed terms left nurses no further ahead but the government promised action to hire more nurses and convert part-time jobs to full-time.
 - In October 2000, about 700 **Newfoundland and Labrador** radiological and laboratory technologists walked off the job for eight days in the middle of their collective agreement. As elsewhere in Canada, "wildcatting" as this is called, is always illegal. The strikers said they were fed up with the slow pace of a "job reclassification process" meant to rectify the growing gap between their pay and that of nurses. The employers' association obtained a court injunction ordering strikers back

³ The courts had initially imposed a fine of \$400,000. This was four times the previous largest fine for a single instance of contempt. On appeal, the fine was reduced to \$100,000.

to work and launched contempt of court actions. The strike was settled when government agreed to appoint a mediator to help with the reclassification.

- The longest nurses' strike in Canadian history occurred in **Quebec** in June and July of 1999. Health care strikes are technically legal in Quebec. But the law says that up to 90 per cent of workers in a health care establishment are "essential" and unable to strike.⁴ Penalties for violating this legislation are severe—from fines to strikers losing two days pay and one year seniority for every day on strike. For each day on strike, the union loses 12 weeks of dues. Health care unions tend to view the law as tantamount to banning strikes entirely. The nurses' strike began when 47,500 union members refused to work overtime. This escalated into two day-long walkouts and finally spread to all health care facilities in the province. Unable to bring the nurses to heel with the existing legislation, the PQ government of Lucien Bouchard removed the right to strike entirely and upped the penalties. But union members continued their walkout, however, to an outpouring of public sympathy, including polls showing majority public support and 120,000 signatures on a petition. The government and the union reached a tentative agreement on July 18 but union members rejected it despite the recommendation of their leaders. The strike continued another six days, when the exhausted nurses returned to work, their union internally riven by dissent.

Pressures on Collective Bargaining

Throughout the 1990s, several phenomena combined to put inexorable pressure on health care workers' collective bargaining.

Regionalization

In the 1990s all provincial governments except Ontario⁵ began to divide the health care domain up into regional health authorities. For example, Saskatchewan formed 32 (later reduced to 12) separate health authorities. Nova Scotia divided into four (later increased to nine). Previously independent sub-sectors were consolidated geographically and the district health authority became the employer rather than the boards of separate institutions. This resulted in the integration of services across the district. For example, all maternity care might move into a single hospital. All emergency care might move to another. The health district might take over long-term care hospitals. Home care and public health might now be offered through the district. Employees would move more easily between institutions and jobs because they would take their seniority with them. Some health care facilities were closed entirely.

Power to deal with unions moved both up from individual institutions and, in some cases, down from the provincial government. However in most cases, and especially in the case of the more skilled groups of workers, central bargaining has persisted. This means that in most provinces when a group of health care workers has a dispute, it is with all of the employers in the province for that sector. For example, it may be allied health professionals in hospitals in British Columbia, or nurses in long term care in Manitoba, or general support workers in home care in New Brunswick.

Health care restructuring involved some wrenching changes, dislocations and job losses for health care employees, not the least of which was inter-union rivalry over which bargaining agent would represent the new, merged group-

⁴ The direction that so many employees be at work during a strike has sometimes produced the paradoxical result that more are expected to be at work during strikes than during non-strike times.

⁵ Ontario is the only province to have resisted this trend, though the amalgamation of hospitals in some regions has produced a similar effect.

ings of employees. The collective bargaining regime was sorely tested in the process.

Downsizing

Regionalization and restructuring combined with the mid-90s recession to shrink health care budgets. Complements of health care workers across the country began to shrink. What had been a shortage of skilled workers temporarily became a glut. In many provinces, employers shed workers through a mixture of layoffs, early retirements and buyouts. For a brief period, the vaunted shortage of nurses and technologists seemed to vanish.

Because health care had been such a stable, if not growing, industry to this point, collective agreements were mostly silent on the difficult issues of downsizing. Unlike in, say, the forest or automotive industries, unions and managements had little experience in and few tools for dealing with "labour adjustment."⁶ This situation put even more strain on collective bargaining.

But the situation was to change in the late 1990s as the economy improved and institutions readjusted to increased demands. A monstrous shortage of nurses and technologists (and several other skilled occupations) came surging back, again burdening collective bargaining.

"Hospital Model" vs. "Hospitality Model"

For many years, what might be called the "hospital model" of employment had afforded a labour market shelter where workers, especially those at lower skill levels (who were the first to unionize) could negotiate better employment security, pay and conditions than

counterparts outside of the public sector. Health care employers and governments had seen patient care as a continuum where better working conditions for employees guaranteed quality service. A housekeeper, dietary aide or maintenance worker was considered part of a larger health care team.

But by the 1990s the hospital model was beginning to come apart. Pressure to save money became relentless. At the same time, standards of critical clinical service quality had to be maintained. To accommodate, employers hastened two trends that had already begun. First there was the subdivision of skilled occupations into gradations of proficiency and compensation, a kind of "salami-slicing" of the internal labour market. Thus the corps of registered nurses would give way to a combination of nurses, licensed practical nurses and nursing aides.⁷ The corps of registered technologists and therapists would subdivide to add unregistered assistants and technicians. Each skill swath would have different duties in the division of labour. Moreover, the pay gap between nurses on the one hand, and other allied health professionals (e.g. technologists, physiotherapists), on the other, which was negligible in the 1970s, began to move apart through the 80s and 90s, as nurses used the superior bargaining clout borne of homogeneity.

Second, there began an assault on the working conditions of the less-skilled groups. Beginning outside the acute care sub-sector (and especially in long-term care, much of which is in the private sector) employers began to

⁶ Several provinces attempted to help health care unions and management deal with labour adjustment in the 1990s by establishing provincial health care adjustment plans. They established funds to assist with cross-placement, counseling, retraining, early retirement etc. In some cases agencies and a secretariat were provided. The most comprehensive of these was in British Columbia (later dismantled under the Campbell Liberals).

⁷ The trend away from registered nurses and toward licensed practical nurses and aides was not universal. Some Canadian hospitals have realized efficiencies while clinging to an "all-registered nurse" model of nursing.

consider these employees as part of might be called a "hospitality model." In other words, the wages, working conditions and employment security of housekeeping, dietary and maintenance workers came to be compared to those of hotel workers,⁸ with the accompanying lower wages and employment security.

Then employers in acute care began to adopt the hospitality model for lower-skill employees. While collective bargaining with registered and licensed nurses, technologists and therapists proceeded as before (though not without conflict), negotiations with other employees took a different turn. Hospitals either began to drive these employees' employment terms down or sought to contract their work out to the private sector entirely.

Old collective agreements and accords made conversion to the hospitality model troublesome for health care employers. So, some governments began to help them by changing laws to weaken collective bargaining, make arbitrators more employer-friendly and, in the case of British Columbia, tear up and legally prohibit negotiated employment security agreements.

More Work to Do

With regionalization, downsizing and rationalization, many health care workers found their work intensified. This was especially true for nurses. Not only were there fewer of them in many cases, but patients also entered hospitals at higher stages of acuity and left sooner than they had before. Employees soon complained of fatigue and less time or no time to do important tasks, like intimate patient care, counseling, training and routine maintenance. In the downsizing, one of the first cadre to go were the non-union, and therefore vulnerable, first line supervisors. Far from being the fat

of the system, supervisors had often been the essential lubricant that helped the system function smoothly by organizing tasks and schedules, training employees and filling in for absentees. Their scarcity often proved to be a great burden.

Dropping Real Wages

For those workers who remained after downsizing and contracting-out, there was more work to do, at lower pay. Throughout the recession of the mid-90s, the real wages of much of Canada's working population dropped. But for public sector workers, the situation was worse. In most provinces, governments froze wages for several years. In some provinces, governments dropped wages and/or forced employees to take days off without pay (e.g. Alberta, Ontario, Nova Scotia). Most of Canadian workers managed to make back what they had lost by 2000 but health care workers did not. In Nova Scotia, to use one example, the real pay of health most care workers had dropped by 10 per cent from 1991 to 2000. On the other hand, national productivity had risen in the same period by about 25 per cent.

By the turn of the century, as the economy improved, this situation had created a huge pent-up drive to catch up, especially among those employee groups most able to take advantage of their integral role in the health care system. Staff doctors, nurses and other licensed professionals were determined to stop the slide in their standard of living.

Summary

Together these features of the labour market created pressures that made conflict inevitable. What is surprising is not how much there has been but rather why there is not more. Perhaps the dedication of health care workers to their patients and clients is the answer.

⁸ Indeed, this is a strategy that several in the long-term care industry openly admit to using.

Three Models of Dispute Resolution and Emergency Services Management

When we talk of emergency services and strikes in health care, we usually focus on two health sub-sectors: acute care and long-term care.⁹ It is here that strikes can potentially have their most adverse effects. Across the country, governments have followed three distinct models of dealing with industrial conflict and emergency services in health care. These three models refer to the *permanent* legislative regime. As we shall see, governments can also introduce *temporary* legislation to deal with strikes and lockouts and emergency services. In any discussion of industrial conflict, we usually talk about both strikes and lockouts,¹⁰ but for our purposes here, we will talk only of strikes, since lockouts in health care seldom, if ever, occur. "Strikes" can cover both instances.

Permanent Strike-Ban Model

Some provinces have passed permanent legislation banning strikes in the crucial health care sub-sectors entirely. Ontario has done this since 1964 with its *Hospital Disputes Labour Arbitration Act*. Alberta amended its *Labour Relations Code* in 1983 to outlaw strikes in hospitals. Prince Edward Island has also had such a provision in its *Labour Act* for some time.

In all three of these provinces, the right to strike has been replaced with binding interest arbitration. That is, if the parties are unable to reach an agreement by themselves, all outstanding issues in dispute are submitted to a third-party who makes a legally binding decision on their outcome. The already-agreed-to

issues plus the arbitrator's decision form a new collective agreement.

The most common type of arbitration, called "conventional" allows the arbitrator considerable freedom to fashion a settlement. The settlement might contain some items from the union's wish list, some from the employer's and some compromises. Another type of arbitration, called "final offer selection" enjoins union and management each to submit its own comprehensive proposal for settlement to the umpire, who is limited to choosing one or the other, winner takes all.

Naturally, because strikes are not anticipated, there is no provision in legislation for emergency services. There are, however, penalties for violation of the no-strike clauses. First, strikers forfeit their legal protection against dismissal. Second, employers can ask the Labour Relations Board declare the strike illegal. This declaration can then be lodged in a provincial superior court with the force of a court order. Continued defiance of the court order can invite a citation of contempt of court on both the unions and striking employees. Penalties for contempt of court can vary from civil (fines) to criminal (fines and imprisonment.) In addition, in Alberta, the *Labour Relations Code* allows the suspension of dues payment to the offending union for one to six months (which amounts to a fine) and the removal of the union's right to represent employees. Quebec, which all but forbids strikes, has similarly grim penalties.

⁹ Although it was a province-wide strike in Manitoba home care that prompted the then Progressive Conservative government to introduce a draconian *Essential Services Act* in 1996.

¹⁰ A lockout occurs where an employer, rather than a union, takes the first step in bringing about a work stoppage. Just as union members can refuse to work further their position during a dispute, an employer can refuse to provide work to the union members.

Unregulated Strike Model

Except for the provinces of Alberta, Ontario and Prince Edward Island, all the rest allow strikes and lockouts to occur in health care. In most of these provinces, there is some legislative provision that compels the provision of emergency services. However, in two provinces, Saskatchewan and Nova Scotia, there is no such provision. That means that health care unions are able to strike at the end of their collective agreement and any arrangements for the provision of emergency services are up to *voluntary* negotiation between unions and employers.

Regulated Strike Model

In all other provinces where strikes are allowed, there is some legislative provision compelling the union to provide a certain level of emergency services during a strike. These legislative provisions are of several types:

- In some jurisdictions (Federal, British Columbia, New Brunswick) the unions and employers get first crack at trying to negotiate an emergency services plan by designating which employees will stay on the job during a strike. If they cannot agree, then a third-party, like the Labour Relations Board or an independent arbitrator, will make the decision. In the federal public service¹¹ the union can choose to either strike with such designation *or* to submit to binding arbitration.
- In some jurisdictions (e.g. Manitoba, Newfoundland and Labrador) the employer will first designate "essential" employees. If the union disagrees, it can appeal to the Labour Relations Board.
- In Quebec, the law, from the start, designates between 60 and 90 per cent of employees in

health care institutions (depending on the type of institution) as "essential". The province's Essential Services Commission helps to interpret disputes within these guidelines. So restrictive is this variant of the regulated strike model that some critics argue it is really a permanent strike ban.

Temporary Measures

Notwithstanding the *permanent* measures described above, all Canadian governments have the power to depart from them and impose other means to deal with strikes and emergency services. Several provinces (e.g. British Columbia) allow the cabinet or a minister to decide if a strike causes a situation dangerous to public safety or health. In that case, emergency measures can be imposed to end or curtail the strike. All governments have the power to reconvene their legislature and pass new legislation ending or curtailing an actual or impending strike for a certain period of time. Examples in the recent past are legion. Usually the ad hoc legislation renders the strike illegal. In many instances in the past, the legislation substitutes binding arbitration to resolve issues in dispute. However, a disturbing trend in recent years has been for the legislation to specify the terms of settlement or to put that decision into the hands of the government.

Conclusions

Looking at these factors, the strikes during the past four years and others over the past 25 years, we reach the following conclusions:

Strikes happen! It matters not what form of law a government chooses to use to regulate industrial conflict in health care, industrial conflict occurs. Even outlawing strikes entirely (perma-

¹¹ These are direct government employees as opposed to private sector employees who come under federal jurisdiction.

nently or temporarily) does not prevent strikes from taking place. Even substantial fines and other penalties do not prevent health care workers from staying off the job. So contentious have the market and workplace pressures in health care delivery become that it is impossible to avoid conflict. Even where excellent relations exist between unions and employers, there will be issues on which they will not or cannot agree without at least some conflict. But, good relations help immeasurably to diminish the strife. The point is that conflict is often a necessary ingredient to the resolution of labour disputes. It cannot be eliminated by a legislative snap of the fingers.

There are several models of regulation of work stoppages that exist across the country. Sometimes strikes are allowed; sometimes they are forbidden and sometimes they are contained. None of these models is perfect. Each has its advantages and disadvantages. There is no facile solution to the problem. But we argue that removing or constraining the right to strike are unworkable and counterproductive.

It is erroneous to assume that employers and unions in health care are somehow balanced in their bargaining power, more erroneous to assume that unions have an advantage. Even where the striking employees are key players in direct patient care, employers have great power advantages and the playing field is strongly tilted in their favour. Even where strikes are allowed, unions do not necessarily "win" them.

Third-party intervention in industrial conflict can be helpful but not if it is used as a binding and permanent solution. A fundamental, inescapable ingredient of successful industrial relations is voluntarism.

Work stoppages in health care are never total. First, health care workers are assembled into different bargaining groups which negotiate with employers separately. It is rare that more than one group is on strike at any one time. Second, in even the most rancorous quarrels, unions of striking health care workers arrange to provide emergency services during work stoppages. Where strikes are legal, sometimes the law stipulates how emergency services will be provided; sometimes the law is silent, leaving it to voluntary negotiation between employers and unions. In cases where strikes are illegal there is, of course, no provision for emergency services. This is ironic because banning strikes is supposed to eliminate uncertainty but often ends up producing it and often exacerbating it.

An ominous new development is the trend of governments to impose what might be called "settlement-by-edict." One of the fundamentals of a modern industrial democracy is free or collective bargaining. Yet, though it goes against all the precepts of voluntaristic collective bargaining, governments are increasingly overriding the negotiation process to avoid work stoppages. Increasingly governments are making strikes illegal. In the past, they would impose binding third-party "interest" arbitration¹² as a

¹² There are two types of arbitration in labour relations. In "*rights*" arbitration, an adjudicator makes a binding decision in a dispute over the application, interpretation or alleged violation of an already-existing collective agreement. In "*interest*" arbitration, the adjudicator settles a dispute over what terms and conditions will go into a collective agreement that is under negotiation.

An example of rights arbitration: An already-existing collective agreement says employees will be paid overtime after 7¼ hours. An employee is not paid accordingly, and s/he launches a grievance claiming the collective agreement has been violated. If the parties cannot resolve this question, a rights arbitration will decide whether the agreement has been violated.

substitute. But governments are now going one perilous step further. When a strike happens, increasingly governments will not only legislate an end to the strike's legality, they will also ordain the precise wages, benefits and collective agreement language by which the parties will have to abide. This has been done not just by governments of the right, such as the British Columbia Liberals or the Nova Scotia and New Brunswick Conservatives, but also by governments of the centre and left-centre. Indeed, the first recent incident of settlement-by-edict occurred almost simultaneously in the spring of 1999 by two governments, the Tobin Liberals in Newfoundland and the Romanow NDP in Saskatchewan.

Ironically, governments are finding that the draconian solution described above does not succeed in ridding them of their labour problems. Indeed, it often makes the groups of workers angrier and is often perceived by the public as manifestly unfair. Often it prompts the unions involved to defy the back-to-work orders. Even if the strikers succumb, another, more desperate stratagem emerges—groups of valuable workers threaten resignation—a form

of industrial suicide, if you will. While mass resignation is meant primarily as a threat and has never come to fruition, few rational Canadians wish to see push come to shove.

Labour disputes in health care mirror another key area of contention—the future of Canada's public health system. Canadians are deeply concerned about the capacity of the health care system to deliver the amount and quality of care we need when we need it. There is increasing public distrust of governments' abilities as "steward" of the system and increasingly unions are framing their labour disputes as over the quality of the system. In the case of nurses especially, health care workers arguably manage to wrestle successfully with governments as stewards of the system. Indeed, the Manitoba Nurses Union quite explicitly appealed to public unease with their slogan in the 2002 dispute. Governments that declare war on health care workers risk being seen as declaring war on health care.



Selection of Recent Changes in Canadian Labour Laws

Adopted Bills, Regulations and Other Statutory Instruments

MICHEL GAUVIN, CHARLES PHILIPPE ROCHON and ANNICK DELISLE

Strategic Policy and International Labour Affairs

Labour Program, Human Resources Development Canada

Federal: Budget Implementation Act, 2003; Bill C-28; Assented to June 19, 2003

As part of its 2003 budget, the federal government announced the creation of new compassionate family care leave benefits under the Employment Insurance program (EI) and the inclusion of related job-protection provisions in the *Canada Labour Code*.

Consequently, Part 4 of the *Budget Implementation Act, 2003* (the Act) will amend the *Employment Insurance Act* and the *Employment Insurance (Fishing) Regulations* to add compassionate care benefits to the other special benefits provided under EI (i.e. maternity, parental and sickness benefits). Claimants who meet eligibility requirements¹ will be entitled to take up to six weeks of compassionate care benefits within a 26-week period (or such shorter period as may be prescribed)

to provide care or support to a defined family member² where the latter, as attested by a medical certificate, has a serious medical condition with a significant risk of death within that period. Two or more individuals will be able to share the six weeks of benefits with respect to a family member. Only one waiting period of two weeks will have to be served prior to receiving benefits, whether or not they are shared.

This Act will also amend the *Canada Labour Code* to add a new section regarding compassionate care leave. Under these provisions, employees covered by the *Code* will be entitled to take up to eight weeks of leave to provide care or support to a defined family member³ if a qualified medical practitioner⁴ issues a certificate stating that the family member has a serious medical condition with a significant risk of death within a period of 26 weeks. It will be possible for two or more employees to share the eight weeks of

¹ To be eligible for compassionate care benefits, a claimant must have contributed to the EI fund and worked at least 600 insurable hours in the previous 52 weeks or since the start of the last claim, whichever is shorter.

² For the purpose of compassionate care benefits, "family member" is defined as the claimant's spouse or common-law partner, child (including the child of a spouse or common-law partner), or parent (including the spouse or common-law partner of the claimant's parent). This list of family members may be extended by regulation. A "common-law partner" means a person who has cohabited with the individual in a conjugal relationship for a period of at least one year.

³ The definition of "family member" will be the same under the *Canada Labour Code* as under the *Employment Insurance Act*. The *Code's* definition may be expanded by regulation.

⁴ A "qualified medical practitioner" is defined as "a person who is entitled to practise medicine under the laws of a jurisdiction in which care or treatment of the family member is provided". This definition may be expanded by regulation to include other classes of medical practitioners.

leave where they wish to avail themselves of the *Code's* provisions to provide care or support to the same person.

Compassionate care leave will have to be taken within a specified period of 26 weeks (a shorter period may be set by regulation). However, should the family member die before the end of this period, the leave will not extend beyond the last day of the week in which the death occurs. Although the eight weeks of leave may be broken up, it will have to be taken in periods of at least one week's duration.

It should be mentioned that there will be no length of service or other eligibility requirements under the *Code* to qualify for compassionate care leave. For instance, an employee could take such a leave even if he/she is not entitled to collect EI benefits. Nor will the *Code's* provisions require that employees notify their employer prior to taking—or during—a compassionate care leave. An employee will nevertheless have to provide his/her employer a copy of the medical certificate if, within 15 days of returning to work, he/she is requested in writing to do so.

The employee job protections that currently apply with respect to maternity and parental leave will also cover employees taking a compassionate care leave. The latter will have the right to be informed of employment, promotion or training opportunities during the leave and to be reinstated in the same or in a comparable position when returning to work. Pension, health and disability benefits, as well as seniority, will continue to accumulate during the leave period. For the purpose of calculating other benefits, employment before and after the leave will be deemed to be continuous. Finally, employers will be prohibited from dismissing, suspending, laying off, demoting or disciplining an employee for taking a compassionate care leave, or from taking the leave into account in any decision to promote or train the employee.

These amendments will come into effect on a day to be set by order in council (expected date: January 4, 2004).

Alberta: *School (Compulsory Attendance) Amendment Act, 2003; Bill 203; Assented to April 9, 2003*

Once it comes into effect, this Act will raise the age of compulsory school attendance from 16 years to 17 years. It will also restrict the grounds on which a student may be excused from attending school. School boards and the Minister of Education will no longer have the authority to excuse a student, at the request of his/her parent(s), from attending school for a period of time. Both of these changes could have an effect on the employment of children in Alberta.

An additional amendment will eliminate provincial attendance boards.

The *Act* will come into effect by proclamation.

Alberta: *Labour Relations (Regional Health Authorities Restructuring) Amendment Act, 2003; Bill 27 Royal Assent March 27, 2003 and the Regional Health Authority Collective Bargaining Regulation; Alta Reg. 80/2003, Alberta Gazette, Part II, of April 15, 2003*

This Act brought amendments to the *Labour Relations Code*, that came into force on April 1, 2003. The *Regional Health Authority Collective Bargaining Regulation* issued under the *Code* took effect on the same date. The most significant changes brought by the amendments and the new Regulation are as follows:

- Nurse practitioners employed in their professional capacity in accordance with the *Public Health Act* and regulations have been excluded from the application of the *Labour Relations Code*.

- The dispute resolution process of compulsory interest arbitration applicable to hospital employees (these employees cannot strike legally; they represent about 90 per cent of health care employees) has been extended to all other employees of regional health authorities.
- The Lieutenant Governor in Council has been given the power to issue regulations providing for the establishment of region-wide functional bargaining units for all regional health authorities and their employees who are represented by a bargaining agent. The *Regional Health Authority Collective Bargaining Regulation* has established four functional bargaining units: direct nursing care or nursing instruction; auxiliary nursing care; paramedical, professional or technical services; and general support services.
- The Alberta Labour Relations Board has been granted special temporary powers by the above-mentioned Regulation to deal with issues arising out of the establishment of the region-wide functional bargaining units, including union determination and collective agreement reconciliation.
- By virtue of regulatory powers given to the Lieutenant Governor in Council, the *Regional Health Authority Collective Bargaining Regulation* provides that, despite any other law or the terms of a collective agreement, where there is a change in governance or a restructuring of a regional health authority or other prescribed entity, no employee of that organization represented by a bargaining agent is entitled to severance pay, termination pay or other compensation if the employee's position remains substantially the same. This does not prevent an employer from voluntarily giving an employee or former employee severance pay, termination pay or other compensation.
- For the purpose of ensuring that the *Regional Health Authority Collective Bargaining Regulation* is reviewed for ongoing relevancy and necessity, it is scheduled to expire on March 31, 2008.

British Columbia: Amendment to the *Employment Standards Regulation*; B.C. Reg. 118/2003 under the *Employment Standards Act*; Gazetted May 1, 2003

These amendments have modified, once again, minimum wage and statutory holiday pay rules for employees paid entirely or partly by commission who sell certain vehicles. Regulation 307/2002,⁵ which came into force on November 30, 2002, had excluded these employees from the *Employment Standards Act's* (ESA) minimum wage, holiday pay, hours of work and overtime provisions (except for the prohibition on excessive hours of work).

Under the new *Regulation*, commission salespersons employed to sell—or sell lease arrangements for—automobiles or trucks are now covered by the ESA's statutory holiday provisions, unless their employer pays them 3.6 per cent of their gross earnings for the pay period on each pay cheque. Employees earning commissions to sell recreation vehicles and campers, however, are still not entitled to statutory holidays or statutory holiday pay.

Commission salespersons employed to sell automobiles, trucks, recreation vehicles and campers must also be paid an amount at least equal to the minimum wage for their first 160 hours of work each month. Both commissions and other wages earned by an employee are to be taken into account when determining whether these minimum wage requirements are met.

These amendments came into effect on March 28, 2003.

⁵ This Regulation was described in the spring 2003 issue of the *Workplace Gazette*, Vol. 6, No. 1.

British Columbia: Amendments to the *Employment Standards Regulation*; B.C. Regs. 195/2003, 196/2003, 197/2003 under the *Employment Standards Act*; O.C. 475/2003, 476/2003, 477/2003, ordered May 15, 2003

These Regulations have amended provisions of the *Employment Standards Regulation* (ESR) pertaining to agricultural workers and farm labour contractors.

- Provisions regarding hours of work and overtime no longer apply to farm workers, except for the prohibition on excessive hours of work (i.e. section 39 of the *Employment Standards Act*). Previously, farm workers were entitled to 1½ times their regular wage for every hour worked in excess of 120 hours within a two-week period.
- Statutory holiday provisions in the ESR previously covered certain farm workers. They have been repealed so that all farm workers are now excluded from statutory holidays and statutory holiday pay. In addition, the minimum wage for farm workers employed on a piece work basis to hand harvest certain crops has been amended to reflect these changes. Minimum rates that must be paid to these employees, although still calculated on gross volume or weight picked, have been reduced by 3.6 per cent, representing the statutory holiday pay to which farm workers were previously entitled.⁶
- A farm labour contractor who provides transportation to a job site for a farm worker it employs must pay the latter an amount equivalent to at least two hours at the minimum wage rate (compared to four hours previously) in the event no work is available at the site. (If it is greater, the employee

is still entitled to the minimum wage rate for the time spent travelling to and from the job site.)

- The amount of security that must be posted to obtain a farm labour contractor's license has been reduced for contractors who have not contravened any "core requirement" of the *Employment Standards Act*—i.e. requirements concerning licensing, paydays, payroll records, vacation pay and the minimum wage—over a specified period. Thus, the standard amount of security (i.e. minimum hourly wage multiplied by 80, multiplied by the number of employees specified in the license) is reduced by a quarter (-25 per cent) where no contravention has occurred for one year or more but less than two years, by one half (-50 per cent) where there has been no contravention for two years or more but less than three years, and by three quarters (-75 per cent) where the period of non-contravention is three years or more.
- The time limit for appealing a determination of the director of Employment Standards regarding the non-issuance, cancellation or suspension of a farm labour contractor's license has been increased from 15 days to 30 days after the date of service of the determination, where it is served by registered mail, and from 8 days to 21 days where it is personally served.
- A farm labour contractor's license is now valid for one full year from the date on which it was issued. Previously, licenses expired on December 31 of the year of issue.

Included among other miscellaneous changes brought by the Regulations is a new formula for calculating interest on money received by the director or collected under a determination or order of the tribunal.

⁶ Before these changes, the minimum piece rate was deemed to include statutory holiday pay (3.6 per cent of gross earnings) and vacation pay (4.0 per cent of gross earnings). By deducting 3.6 per cent from the piece rate amount (instead of subtracting the actual amount initially added as statutory holiday pay), the *Regulation* has in fact reduced the "gross earnings" portion of the minimum rate—i.e. the amount not counting statutory holiday or vacation pay—by about a quarter of a percent.

These amendments to the ESR came into effect on May 15, 2003.

New Brunswick: *An Act to Amend the Employment Standards Act*; Bill 27; Assented to February 21, 2003

This Act amended the *Employment Standards Act* to include new minimum reporting wage provisions while also making some administrative and house-keeping changes.

Minimum Reporting Wage

An employee whose terms and conditions of employment are not the subject of a collective agreement, whose regular wage rate is less than twice the minimum wage rate and who is regularly employed for more than three consecutive hours in a shift is now entitled to be paid the equivalent of at least three hours of work at the minimum wage rate when reporting for work as required by his/her employer. Should such an employee already have worked 44 hours or more in that week, he/she is entitled to reporting pay equivalent to at least three hours at one and a half times the minimum wage. The three hours of reporting pay is considered to be time worked.

Other Amendments

- Some technical amendments regarding the filing of certificates for unpaid wages have been brought to the *Act's* wage protection provisions.
- A new provision allows the minister of Training and Employment Development to appoint a deputy director of Employment Standards. The latter has the powers and duties of the Director of

Employment Standards in his/her absence or when the office of director is vacant.

- In addition to other record keeping obligations, the *Act* requires that employers maintain a record of any period during which an employee was on a leave of absence and the reason for the leave.
- Finally, the *Act* provides for the expiration of attaching orders after a prescribed period. This period will have to be set by regulation.

Bill 27 came into effect on February 21, 2003, the date it received Royal Assent.

Newfoundland and Labrador: *Labour Standards Regulations (Amendment)*, under the *Labour Standards Act*; Newfoundland and Labrador Reg. 38/03; Gazetted March 28, 2003

Following an announcement made by Newfoundland and Labrador's Minister of Labour on March 23, 2003, this Regulation amended the *Labour Standards Regulations* to repeal new overtime provisions that were slated to take effect on April 1, 2003.⁷ Under these provisions, the overtime rate would have been set at one and a half times an employee's regular rate of pay. Consequently, for an indefinite period, the overtime rate will remain fixed at \$9.00 per hour (i.e. one and a half times the provincial minimum wage rate).

However, a new subsection stipulates that overtime wages must nevertheless be paid at a rate of not less than one and a half times an employee's regular rate of pay where the employee is subject to a collective agreement, negotiated after December 6, 2001,⁸ which refers to the overtime pay changes that were supposed to take effect on April 1, 2003.

⁷ These new overtime provisions were outlined in the summer 2003 issue of the *Workplace Gazette*, Vol. 5, No. 2.

⁸ This is the date on which Mrs. Anna Thistle, former Minister of Labour, officially announced changes to provincial labour standards, including overtime provisions.

Northwest Territories: *An Act to Amend the Labour Standards Act*; Bill 17; Assented to June 13, 2003

This Act will amend the *Labour Standards Act* to eliminate the different minimum wage rates based on age and place of employment, and will also increase the minimum wage to one fixed rate of \$8.25 an hour. These amendments will come into force on December 28, 2003.

Nova Scotia: *Minimum Wage Orders: General, Road Building and Heavy Construction Industry, and Logging and Forest Operations*; N.S. Regs. 88/2003, 89/2003 and 90/2003 under the *Labour Standards Code*; Gazetted May 2, 2003

The general minimum wage rate will increase by 25 cents on October 1, 2003 and by a further 25 cents on April 1, 2004. As a result, the general minimum wage will rise from \$6.00 to \$6.50 an hour, while the rate for inexperienced employees will grow from \$5.55 to \$6.05 an hour. (Inexperienced employees are employees who have not been employed for more than three months by any employer to do the work for which they are currently employed, and who have been employed by their current employer for less than three calendar months.)

The minimum wage rate for employees engaged in road building and heavy construction and for "time workers" employed in a logging or forest operation will also increase to \$6.25 an hour on October 1, 2003, and \$6.50 on April 1, 2004. Other workers employed in a logging or forest operation who have no fixed work week or whose hours of work are unverifiable (e.g. camp guardians, cooks, stable hands) will be entitled to at least \$1,224.00 per month as of October 1, 2003, and \$1,273.00 as of April 1, 2004 (compared to \$1,175.00 currently).

Maximum deductions for board and lodging will also be raised on the same dates. Maximum deductions per week of board and lodging provided to an employee paid at minimum wage will increase to \$57.50 on October 1, and then to \$59.80 on April 1; per week of board only, to \$46.55 and then \$48.45; per week of lodging only, to \$12.95 and then \$13.50; and for single meals, to \$3.00 and then \$3.15. An employer in a logging or forest operation will be allowed to deduct from the minimum wage of an employee an amount of up to \$9.05 per day as of October 1, and \$9.45 per day as of April 1 for board and lodging.

Ontario: *SARS Assistance and Recovery Strategy Act, 2003*; Bill 1; Assented to May 5, 2003

The purpose of this Act, which was passed on the same day it was introduced in the Legislature, is to deal with the health and economic impact of the SARS outbreak in Ontario. In addition to amending the *Emergency Management Act* and the *Health Protection and Promotion Act*, this Act provides a temporary sales tax exemption for segments of the tourism sector (with respect to hotels and similar transient accommodation and to admissions to places of amusement) and affords job protection to employees and other workers in relation to SARS-related leaves of absence.

Under Part I of the new Act, an "employee" (the term includes dependent contractors—as defined in the *Labour Relations Act, 1995*—police officers and any other prescribed individual) is entitled to an unpaid SARS emergency leave for any period during which he/she is unable to work because he/she:

- is under individual medical investigation, supervision or treatment related to SARS;
- is under individual medical investigation, supervision or treatment related to SARS;

- is acting in accordance with a SARS related order from a medical officer of health or the Ontario Court of Justice under the *Health Protection and Promotion Act*;
- was directed by his/her employer not to show up for work out of concern that he/she may expose other individuals in the workplace to SARS;
- is needed to provide care or assistance to a specified relative (including a grandparent, grandchild, sibling, or any other relative who is dependent on the employee for care or assistance);
- is in quarantine or isolation or is subject to a control measure in accordance with SARS-related information or directions issued to the public by the Commissioner of Public Security, a public health official, a physician or a nurse or by Telehealth Ontario, the Government of Ontario, the Government of Canada, a municipal council or a board of health. In such a case, a person taking a SARS emergency leave must, within two days, contact a public health official or a physician to receive directions on whether to continue his/her absence from work, and to arrange to receive a written confirmation of those directions.

This leave is in addition to the 10-day emergency leave entitlement provided under section 50 of the *Employment Standards Act, 2000* (ESA 2000).

A person taking a SARS emergency leave must advise his/her employer as soon as possible after the leave begins. At the request of the employer, reasonable evidence of entitlement to the leave must be provided after the leave has ended.

Participation in specified benefit schemes—pension, life insurance, accidental death, extended health, and dental plans—and employer contributions for these plans are to be maintained during the period of leave,

unless the employee indicates in writing that he/she does not intend to continue his/her contributions. An employee's length of service and seniority also continue to accumulate while on leave.

On conclusion of an employee's leave, the employer must reinstate the employee in the position he/she most recently held, if it still exists, or in a comparable position otherwise. The employee's rate of pay must be equal to the rate of pay he/she most recently earned with the employer or, if greater, the rate the employee would be earning had he/she worked throughout the leave. It should be noted, however, that an employer may still terminate the employment of an employee for reasons unrelated to the leave, or because of a workforce reduction caused by the impact of SARS on the employer's business.

The administration and enforcement provisions of the ESA 2000 apply with respect to this Act. Employers are prohibited from taking reprisals against an employee who takes or intends to take leave, attempts to exercise his/her rights under the *Act*, or participates in the *Act's* enforcement procedures.

This Act came into force on the day it received Royal Assent. It applies retroactively, covering employees who were absent from work because of SARS on March 26, 2003 or thereafter. An eligible employee who had taken an emergency leave under the ESA 2000 for SARS-related reasons is deemed to have taken a SARS emergency leave instead.

Ontario: *Agricultural Employees Protection Act, 2002*; Bill 187, Assented to November 19, 2002, Effective June 17, 2003

The purpose of this Act is to protect the rights of agricultural employees while having regard to the unique characteristics of agriculture, including its seasonal nature, its sensitivity to time and climate,

the perishability of agricultural products and the need to protect animal and plant life.

The *Act* gives agricultural employees the following rights:

- the right to form or join an employees' association;
- the right to participate in the lawful activities of an employees' association;
- the right to assemble;
- the right to make representations to their employers, through an employees' association, respecting the terms and conditions of employment;
- the right to protection against interference, coercion and discrimination in the exercise of their rights.

An employer must give an employees' association a reasonable opportunity to make representations respecting the terms and conditions of employment of one or more of its members who are employed by that employer.

An employees' association is prohibited from acting in a manner that is arbitrary, discriminatory or in bad faith in representing its members.

On a written application, the Agriculture, Food and Rural Affairs Appeal Tribunal may make an order, in specified circumstances, allowing access to property controlled by an employer for the purpose of attempting to persuade employees to join an employees' association. The order may specify terms and conditions the Tribunal considers appropriate.

Employers are prohibited from interfering with employees' associations and from taking reprisals against a person because of his/her involvement with an employees' association or the exercise of any other right under the. The use of intimidation or coercion in connection with membership in an employees' association or employers' organization

or with the exercise of any right or the fulfilling of any obligations under the is also prohibited.

The Agriculture, Food and Rural Affairs Appeal Tribunal may inquire into complaints alleging a contravention of the *Act*. If the Tribunal determines that a contravention has occurred, it has the power to make a remedial order. It then determines what, if anything, the employee, employees' association, employer, employers' organization, or other person or body must do or refrain from doing with respect to the contravention, and a determination may include one or more of the following:

- an order directing the employee, employees' association, employer, employers' organization, or other person or body to cease doing or rectify the act(s) complained of; or
- an order to reinstate in employment or hire the person or employee concerned, with or without compensation, or to compensate instead of hiring or reinstatement for loss of earnings or other employment benefits in an amount that may be assessed by the Tribunal against the contravener(s).

On an inquiry by the Tribunal into a complaint that a person has been refused employment, discharged, discriminated against, threatened, coerced, intimidated or otherwise dealt with contrary to the *Act* with respect to employment, opportunity for employment or conditions of employment, the burden is on the employer or employers' organization to prove that he/she/it did not act contrary to the *Act*.

A decision of the Tribunal is final and binding on the parties and on any other person or body that the Tribunal may specify. The Tribunal has no jurisdiction to make a decision altering the terms and conditions of employment of employees, except when it allows a person access to property controlled by an employer for the purpose of attempting to persuade employees to join an employees' association or when it issues remedial orders as mentioned previously.

The *Act* specifies that the *Labour Relations Act, 1995* does not apply to employees or employers in agriculture.

Consequential amendments are made to the *Labour Relations Act, 1995*.

Prince Edward Island: *An Act to Amend the Employment Standards Act*; Bill 47; Assented to May 23, 2003

This Act will bring a number of amendments to Prince Edward Island's *Employment Standards Act* (ESA). More specifically, it will increase the number of paid statutory holidays, introduce new family leave and sick leave provisions, extend the scope of bereavement leave provisions to cover extended family members, and raise the minimum termination notice that must be given to long-service employees.

Paid Holidays

Remembrance Day will be added to the list of paid holidays provided for in the ESA. Employees who meet eligibility requirements will therefore be entitled to six paid holidays per year.

Family Leave

Employees who have been employed by their employer for a continuous period of at least six months will be entitled to take a total of up to three days of unpaid family leave during a 12-month period. An employee will be able to take such leave to meet responsibilities related to the health or care of specified family members, namely a spouse, common-law spouse, child, parent, sibling, grandparent, grandchild, brother-in-law, sister-in-law, mother-in-law, father-in-law, son-in-law or daughter-in-law. An employee who intends to take a family leave must advise his/her employer of the commencement date and anticipated duration of the leave.

Sick Leave

Employees who have been employed by their employer for a continuous period of six months or more will also be entitled to three days of unpaid sick leave during a 12-month period. The employer will be able to require that the employee provide a medical certificate if the latter takes a sick leave of three consecutive days in length. The employee will also have to advise his/her employer of the anticipated duration of the leave.

Bereavement Leave

Currently, the ESA provides for up to three consecutive calendar days of leave without pay in the event of the death of a member of an employee's immediate family. An amendment will allow an employee to also take one unpaid day of leave on the death of a member of his/her extended family, namely a grandparent, grandchild or a specified in-law (see above under "Family Leave"). This leave will have to be taken during the period of bereavement and no later than the day of the funeral.

Notice of Termination

The minimum period of notice (or pay in lieu) that an employer must give before discharging or laying off a long-service employee will be raised from four weeks to six weeks for an employee who has been employed by the employer for a continuous period of at least 10 years, and to eight weeks for an employee who has completed at least 15 years of continuous service.

As is currently the case, a notice of termination will not be required when an employee is dismissed or laid off for just cause or for other reasons specified in the ESA (e.g., destruction of a plant, weather conditions).

Coming into Effect

The amendments described above will come into force by proclamation.

Quebec: Regulation to amend the Regulation respecting labour standards and to revoke the Regulation respecting the notice of collective dismissal, under the Act respecting labour standards (R.S.Q., c. N-1.1); Official Gazette, Part II, June 11, 2003

The purpose of this Regulation is to harmonize the provisions of the *Regulation respecting labour standards* (LSR) with those of the *Act to amend the Act respecting labour standards and other legislative provisions*.⁹

The new Regulation has amended the definition of "employee who generally receives gratuities" to restrict its scope. Hence, "employee who receives gratuities or tips" now refers to an "employee who generally receives gratuities or tips" and who works: in a tourist lodging establishment, including a campground; in a place where alcoholic beverages are sold for consumption on the premises; for an enterprise that sells, delivers or serves meals to be eaten off the premises; or in a restaurant (except if it is an establishment where customers order or choose products at a service counter and pay before eating).

The *Regulation* has also repealed many of the LSR's provisions. Firstly, it has shortened the list of categories of employees who, pursuant to section 2 of the LSR, are excluded from minimum wage provisions. As a result, supernumerary employees hired on an occasional basis for harvest work are now entitled to the minimum wage. However, this is not

the case for employees principally involved in non-mechanized operations linked to the harvesting of processing vegetables and fruit.¹⁰

Secondly, the new Regulation has revoked sections 5 and 8 of the LSR. This has removed the special minimum wage rate and the higher threshold for entitlement to overtime pay (i.e. the 49-hour standard workweek) that previously applied to domestic workers living in their employer's home. These employees are therefore now entitled to the general minimum wage rate and to the 40-hour standard workweek.

Thirdly, Division VI (sections 15 to 35) of the LSR, which pertained to maternity leave, has been repealed. This is essentially a housekeeping amendment. Indeed, these provisions of the LSR, most of which were transferred to the *Act respecting labour standards*, became inoperative on May 1, 2003.

A new Division regarding collective dismissals was also added to the LSR. A section specifies that an employer that must provide a notice of collective dismissal under the *Act respecting labour standards* must send it by mail to the operations branch of Emploi-Québec. The notice takes effect from the date on which it has been posted. Another section stipulates what information the notice must contain; this includes the reasons and the anticipated date for the collective dismissal as well as the number of employees likely to be affected. The *Regulation respecting the notice of collective dismissal* (R.R.Q., 1981, c. F 5, r.1), for its part, has been revoked.

⁹ Most provisions of this Act came into effect on May 1, 2003.

¹⁰ A draft regulation proposed by the previous government proposed to extend minimum wage coverage to all agricultural workers. According to a press release of the Government of Quebec, a working committee set up by the Minister of Labour will establish a new wage standard for these employees, which should come into effect in the summer of 2004.

The amendments described above came into effect on June 26, 2003.

Saskatchewan: *The Mines Regulations, 2003* under *The Occupational Health and Safety Act, 1993*; Chapter O-1.1 Reg. 2, Saskatchewan Gazette, Part II, of May 16, 2003

On July 16, 2003, *The Mines Regulations, 2003* replaced *The Mines Regulations*, which were originally adopted in 1978.

The Mines Regulations, 2003 contain improvements whose purpose is to clarify certain requirements and make mine safety rules consistent with the concepts, definitions and legal language

used in *The Occupational Health and Safety Act, 1993* and *The Occupational Health and Safety Regulations, 1996*.

The new Regulations also provide for a reduction in worker exposure to diesel exhaust. They require employers to take the following measures: implement a diesel engine maintenance program; develop a diesel emission testing plan; test for diesel particulates; and reduce the allowable sulphur content of fuel.

In addition, there are new standards for remote controlled mobile equipment and the brakes of heavy equipment as well as revised provisions regarding mine rescue, egress from underground workplaces and fuel/lubricant depots underground.

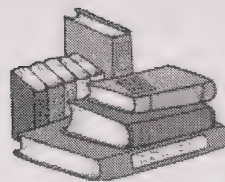
*For additional information on recently adopted or proposed changes
to Canadian Labour Laws,
please visit the Labour Program Website at:*

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Readers' Corner

Michèle Auger, Fred Longley and Edward Popoff
Departmental Library
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Older Workers

Jepsen, Maria, David Foden and Martin Hutsebaut, eds. **Active Strategies for Older Workers in the European Union**. Brussels: European Trade Union Institute, 2002.
HRDC HD6283 E9 A37

This book describes how, in nine European Union countries, social partners and governments have addressed the challenge of increasing the employment rate of older workers. Different approaches have been taken in different countries, some more successful

than others. Current policies and practices are evaluated and proposals are made for further successful action. Major reforms discussed include the development of systems of partial, phased, and flexible retirement.

Fourzly, Michel and Marc Gervais. **Collective Agreements and Older Workers in Canada**. Hull, Québec: Human Resources Development Canada, Labour Program, 2002. On Internet: <http://labour.hrdc-drhc.gc.ca/worklife/caowc-dftaccc/pdf/caowc-dftaccc-en.pdf/>.
HRDC CA1 MPH LA102 00W64

This study identifies and analyzes clauses in major Canadian collective agreements that may directly affect the working conditions of older workers. Where appropriate, a description and analysis of pertinent legislation is provided.

Six broad areas are covered: work-time organization; leaves of absence; training, retraining and education; economic security; (anti-) discrimination clauses and practices; and transition to retirement.

Habtu, Roman. **"Men 55 and Older: Work or Retire?"** Perspectives on Labour and Income (Statistics Canada 75-001-XPE), Vol. 15, No. 1, Spring 2003, p. 47–54.
HRDC Stats Can

Slow population growth and aging baby boomers have made men 55 to 59 no longer active in the labour market an important potential source of labour. The proportion of men 55 to 59 not in the labour force rose significantly between 1976 and 2003, along with their educational levels. For this cohort, retirement is the main reason for leaving their

last job. Rising levels of pension income provide further evidence of the trend to early retirement as a reason for labour market inactivity. Future labour shortage developments will require examination of the incentive effects of implicit taxes (for example, clawbacks) and other government transfer programs.

Lissenburgh, Stephen and Deborah Smeaton. **Employment Transitions of Older Workers: The Role of Flexible Employment in Maintaining Labour Market Participation and Promoting Job Quality.** Transitions after 50 series. Bristol: Policy Press, 2003.
HRDC HD6283 G7 L57

An abrupt and perhaps premature entry into retirement can leave individuals feeling disappointed and can prevent their valuable economic potential from being tapped. Based on national survey data, this report explores the possibilities of more flexible forms of work that bridge the gap between full-time work and

retirement. It examines the characteristics and experiences of those leaving permanent jobs between 50 and state retirement age; factors associated with moving to temporary, part-time, or self-employment; and the qualities of these alternative work arrangements.

MacKenzie, Andrew and Heather Dryburgh. **"The retirement wave."** Perspectives on Labour and Income (Statistics Canada 75-001-XPE), Vol. 15, No. 1, Spring 2003, p. 40–46.
HRDC Stats Can

This article discusses age distribution in Canadian industries and highlights those with older workforces and relatively young retirement ages. It then uses age differences among occupational groups as indicators of succession issues within industries. Turnover

and unfilled vacancy rates are used to show how aging is currently affecting certain sectors of the economy. Some industries and occupations will experience the effects of an aging population earlier than others.

This report presents the results from the Conference Board's Life Planning Survey of the retirement intentions and perspectives of employees aged 50 and above at eight American companies. The survey identifies reasons why mature workers want to retire or do not want to retire and what would encourage them to

continue working. It reveals the diverse needs of mature workers, and shows how retirement decisions are influenced by work status, gender, race/ethnicity, and age. The report presents 12 strategies, derived from the survey results, for employers to meet the needs of mature workers.

NOTES

1. *For other available references in French language only, see the French version of the Workplace Gazette / Gazette du travail.*
2. *Human Resources Development Canada employees can borrow these items from the Departmental Library. Others can borrow them through their own library.*

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Canada Labour Code Part II, 292 page binder

Regulations respecting Occupational Safety and Health under Part II of the *Canada Labour Code* and the *Safety and Health Committees and Representatives Regulations*. (Also available in French)

Cat. No.: L31-85-2003E;

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Office Consolidations:

Canada Labour Code Part I, 94 page book, bilingual

Cat. No.: YX76-L2-1-2000

Cost: \$8.95

Canada Labour Code Part II, 56 page book, bilingual

Cat. No.: YX76-L2-2-2000

Cost: \$6.95

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and

TODAY

Suzanne Payette

Workplace Information Directorate

Labour Program, Human Resources Development Canada

Women and Leadership

Fifty Years Ago...

In 1953, the *Labour Gazette* reported the first selection process to staff the position of Director of the Women's Bureau within the Department of Labour. According to the advertisement, the position of director called for a female administrative officer to carry out research and make information available on the conditions of employment of women workers; and to develop regular channels of information on women's employment between the Department, other agencies, women's groups, and employer and labour organizations.

In the same year, for the first time in the history of the labour movement in Canada, a woman presided over a national labour organization's annual convention when Miss Yolande Valois of Sorel, 7th Vice-president of the Canadian and Catholic Confederation of Labour, took over the chair at that organization's convention in Québec. In the previous year, Miss Valois had become the first woman to fill the post of vice-president of a national labour organization, taking over from the General President.

Today...

Gender breakdown is provided on an ongoing basis in research results for wages and working conditions. The statistical agency, Statistics Canada reports all data relating to the labour market in terms of male and female breakdown generally, and in relation to finer distinctions such as occupational categories, geographical location and age characteristics.

Policies and programs are usually assessed for their differential impact on women and, with the introduction of Human Rights and Employment Equity legislation, on other designated groups: visible minorities, handicapped persons and aboriginals. Labour market data is collected and progress towards greater equity is assessed periodically. Information and education initiatives are geared towards encouraging diversity. Federal agencies such as Status of Women and integration of women's issues through gender based analysis of policies at central agency levels ensures that women's issues are taken seriously.

Women now occupy more positions at the senior levels of corporations, governments and labour organizations, albeit, not in the proportion of their representation within these organizations. The glass ceiling appears to be difficult to break in all sectors: private, public, non-profit and the labour movement.

In recent years, women accounted for almost all the increase in union membership where they represent 30.2 per cent of the female labour force, virtually matching the male unionization rate of 30.3 per cent. The unionization of women in the public sector (72.8 per cent) exceeded that of men (69.3 per cent) reflecting women's presence in public administration and in teaching and health positions. In a number of labour organizations, more women are occupying senior positions and demonstrating greater leadership and involvement in shaping the future of labour priorities and initiatives.

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The Workplace Information Directorate is your source for up-to-date, customized information on industrial relations and collective bargaining in Canada.

By meeting your specific research needs, we can assist you in preparing for the resolution of issues at the bargaining table. We can also help you keep abreast of developments in the industrial relations field through our information service and publications. Our resources are used by negotiators, researchers, economists, consultants, journalists, teachers and many others.

Wage Settlements Bulletin

A monthly publication providing the most up-to-date information and analysis of major wage developments in collective bargaining in Canada. The Bulletin is a valuable and recognized reference source providing statistical and analytical information illustrated with useful charts and tables on recent wage developments. The aggregate data and details are published in the following groupings: public and private sectors, regions and jurisdictions, and major industry groups. **Subscription:** Canada, 1 year: \$220 or 2 years: \$400 plus 7% GST; other countries, 1 year: US\$220 or 2 years: US\$400 (available by e-mail, mail or fax).

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Workplace Gazette

A quarterly publication providing data on wage adjustments from major collective bargaining settlements in Canada by public and private sectors, by region, by jurisdiction and by major industry; detailed analysis of selected provisions in major agreements; a chronological perspective on work stoppages; and, information on innovative workplace practices resulting from collective bargaining. It also features articles and case studies on pertinent industrial relations matters. **Subscription:** Canada, 1 year: \$140 or 2 years: \$250 plus 7% GST; other countries, 1 year: US\$140 or 2 years: US\$250 (available by mail only).

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A monthly publication containing timely information based on recently signed major collective agreements in Canada. The publication focuses on summaries of changes to wages and benefits in selected settlements, the status of key negotiations as well as data on work stoppages. Also included is a list containing major settlement reports currently available on the Negotech database. **Subscription:** Canada, 1 year: \$65 or 2 years: \$110 plus 7% GST; other countries, 1 year: US\$65 or 2 years: US\$110 (available by e-mail and mail).

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Volume 6, No. 3

An Industrial Relations
Quarterly

Fall 2003

Employee Assistance
Program for the Service
de police de la Ville de
Montréal

Life-Long Learning
System within the
Quebec Construction
Industry

Job Quality in the
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An Industrial Relations
Quarterly

Issued by:

Workplace Information Directorate
Labour Program
Human Resources Development Canada
165 Hôtel de Ville
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1-800-567-6866 or (819) 997-3117

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Catalogue No. L12-22E
ISSN 1480-6886

*The content of this publication has been prepared by members of
The Canadian Association of Professional Employees and the Public
Service Alliance of Canada.*

AT A GLANCE

The *Workplace Gazette* presents a wide range of information and analysis to meet the ever-changing needs of the industrial relations community. Its purpose is to provide a sound base for research in support of the bargaining process.

The *Workplace Gazette* includes information and analysis on wage adjustments, collective agreement provisions, innovative workplace practices, work stoppages, upcoming key negotiations and other related topics.

The Fall 2003 issue includes second quarter data for 2003 on wage adjustments in major collective agreements, both current and historical, by public and private sectors, by region, by jurisdiction and by major industry. Also, included is a listing of major settlements reached in the second quarter 2003. Wage settlements for the first six months of 2003 are provided. This issue reports information on work stoppages for the second and first quarters of 2003 and also offers recent data on union membership in Canada from the annual survey of labour organizations conducted by the Workplace Information Directorate. An overview of selected provisions features the provisions linked to workplace absenteeism. Innovative practices in the workplace resulting from collective bargaining are summarized.

An article by K. McMullen and G. Schellenberg provides an account on job quality in the non-profit sector. A report by J. Charest and C. Dubeau describes the structure of the life-long learning system within the Quebec Construction Industry. A case study describes the employee assistance program for the officers of the Service de police de la Ville de Montréal. The winners of the 2003 Employment Equity Merit Awards are profiled.

Recent changes in Canadian Labour Laws focus on adopted bills, regulations and other statutory instruments. The Departmental Library is offering reading material on adapting to workplace change.

Finally, Yesterday and Today reviews escalator provisions and cost-of-living adjustments.

Table of Contents

Page

WAGES AND WORK ENVIRONMENT

Major Wage Settlements—Second Quarter 2003	7
Major Settlements Reached in the Second Quarter 2003	13
Wage Settlements Tables	18
Collective Bargaining Results for the First Six Months of 2003 <i>Michel HÉBERT</i> <i>Manon HENRY</i>	28
Work Stoppages	35
Union Membership in Canada—2003	40
Selected Provisions in Collective Agreements <i>Marie-Ève BÉDARD</i>	48
Innovative Workplace Practices <i>Bruce ALDRIDGE</i>	53

ARTICLES

• Employment Equity Merit Awards—2003 <i>Workplace Equity, Human Resources Development Canada</i>	58
• Employee Assistance Program for the Officers of the Service de police de la Ville de Montréal <i>Débora DIAZ</i> <i>Annie PAYANT</i> <i>Silvana POZZEBON</i> <i>Sylvie ST-ONGE</i>	65

continued on next page

ARTICLES (CONTINUED)

Page

- Structure of the Life-Long Learning System within the
Quebec Construction Industry—Partnership and Mutualization
Jean CHAREST
Chantal DUBEAU 71
- Job Quality in the Non-Profit Sector
Kathryn McMULLEN
Grant SCHELLENBERG 83
- Fire Prevention Week
Julie ROBILLARD 88

CANADIAN LABOUR LAWS

- Adopted Bills, Regulations and Other Statutory Instruments
Michel GAUVIN
Charles Philippe ROCHON
Annick DELISLE 90

READERS' CORNER—HRDC DEPARTMENTAL LIBRARY

- Adapting to Workplace Change
Michèle AUGER
Fred LONGLEY
Edward POPOFF 94

YESTERDAY AND TODAY

- Escalator Provisions and Cost-of-Living Adjustments
Suzanne PAYETTE 96

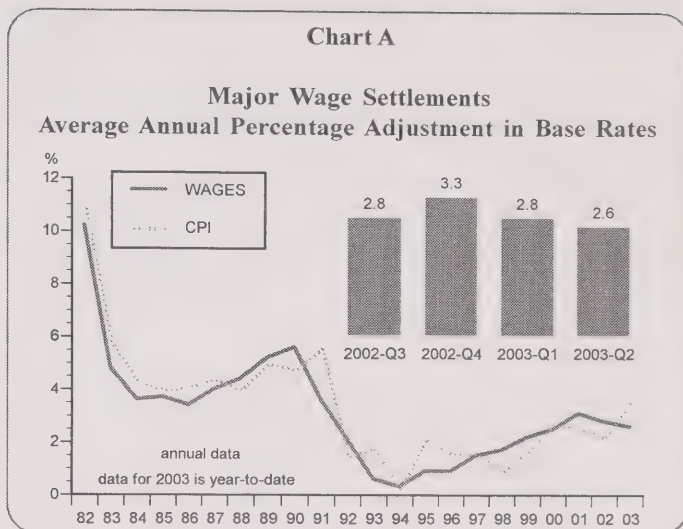
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MAJOR WAGE SETTLEMENTS*

Second Quarter 2003

Summary

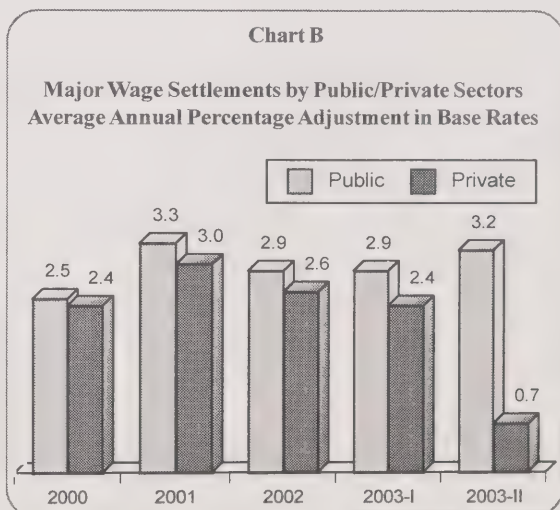
- Major collective bargaining settlements reached in the **second quarter 2003** provided base-rate wage increases averaging **2.6 per cent** annually over the contract term. This is lower than the 2.8 per cent figure recorded in the previous quarter and for the year 2002 as a whole. The second quarter 2003 results are based on a review of 133 settlements reached in the period, with a coverage of 239,420 employees.



- When the parties to the second quarter settlements previously negotiated, contract duration averaged 30.7 months, and the resulting wage adjustments averaged 2.9 per cent, compared to 2.6 per cent in the current round of settlements and an average contract duration of 32 months.
- Wage increases in the first six months of 2003 (January to June) averaged 2.6 per cent for 347,070 employees in 220 major settlements.

Public and Private Sectors

In the second quarter 2003, the majority of agreements settled (76.7%) and employees covered (75.5%) were in the public sector. Wage



* Major settlements are those involving bargaining units of 500 or more employees. All wage rate adjustments over the term of these agreements, including those arising from cost-of-living clauses (COLA), are taken into account. The yield of such COLA clauses is estimated on an assumed 2.0 per cent annual increase in the Consumer Price Index.

increases in the **public sector** averaged **3.2 per cent** for 180,850 employees in 102 agreements and in the **private sector**, **0.7 per cent** for 58,570 employees in 31 agreements.

The private-sector figure was more moderate due in large part to three Air Canada agreements providing 28,530 employees with a wage freeze or wage reductions averaging -0.5 per cent over the life of the contracts. Excluding Air Canada, the remaining private sector agreements averaged 1.9 per cent in the second quarter. The three Air Canada settlements involved the flight attendants, the customer service employees and the technical employees.

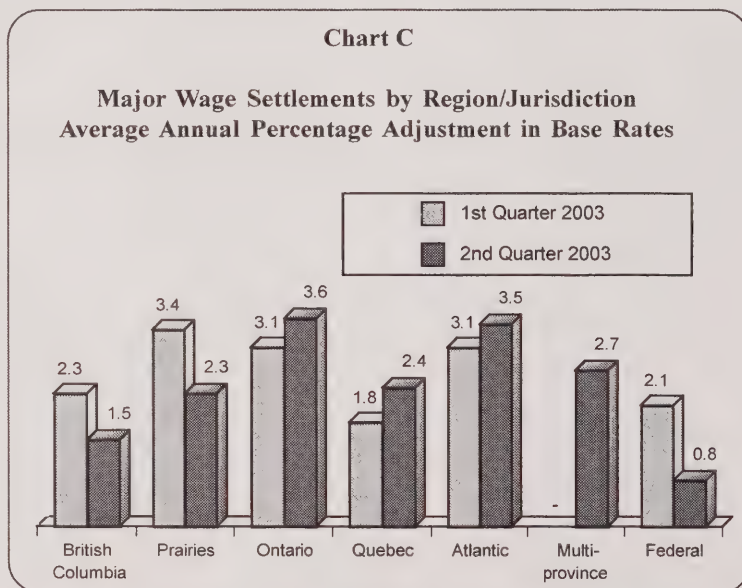
Region/Jurisdiction

On a regional/jurisdictional basis, the largest average wage increase and the largest concentration of employees were both in Ontario; wage gains averaged 3.6 per cent for 112,800 employees in 75 agreements; a large number of the Ontario agreements were in the health and education sub-sector. The smallest increase was in the Federal jurisdiction at 0.8 per cent, due mainly to the three Air Canada settlements mentioned above. Wage adjustments in the Prairie Provinces averaged 2.3 per cent; which included Saskatchewan at 2.6 per cent, Alberta at 2.5 per cent and Manitoba at 2.0 per cent. In the Atlantic Provinces, wage increases averaged 3.5 per cent for 1,430 employees in only two agreements (Hershey Chocolates Inc. in Nova Scotia at 3.1 per cent and Noranda Inc. in New Brunswick at

3.8 per cent). In Quebec, wage increases averaged 2.4 per cent for 34,580 employees in 19 agreements. There were three Multiprovince agreements providing 2,100 employees with wage increases averaging 2.3 per cent. In British Columbia, 10 agreements provided 9,630 employees with wage gains averaging 1.5 per cent.

Industries

On an industry basis, the largest increase in the second quarter was in **primary industries (3.8 per cent)** but the sector's entire coverage was for only 730 employees in a single agreement. The second largest wage gain (at 3.5 per cent) and the largest concentration of agreements (83 of 133 contracts) and employees (49.6% of all workers) was recorded in **education, health and social services** sector. The smallest wage gain was in the **transportation** sector at 0.3 per cent, due mainly to the three Air Canada settlements. In descending order of magnitude, the remaining industry averages were: **entertainment and hospitality sector, 3.3 per cent**

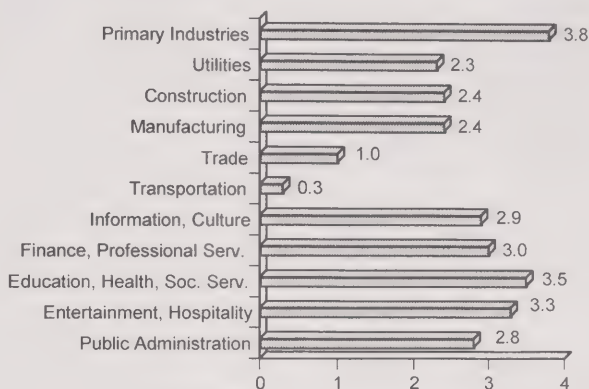


Source: Workplace Information Directorate.

for 520 employees in a single agreement; **finance and professional services sector, 3.0 per cent** for 740 employees in a single agreement; **information and culture, 2.9 per cent** for 3,550 employees in 3 agreements; **public administration, 2.8 per cent** for 33,230 employees in 10 agreements; **construction, 2.4 per cent** for 1,110 employees in 2 agreements; **utilities, 2.3 per cent** for 20,390 employees in 8 agreements; and **1.0 per cent in trade** with 12,490 employees in 6 settlements.

Chart D

Major Wage Settlements by Industry
Average Annual Percentage Adjustment in Base Rates



Source: Workplace Information Directorate.

Wage Distribution

In the second quarter 2003, 21,470 employees in two settlements (9.0 per cent of all employees in the quarter's 133 settlements) were subject to wage rollbacks, and 13,660 employees in four settlements (5.7 per cent of all employees) were subject to a wage freeze. In contrast, only 8,980 employees (0.9 per cent of all employees in the year's 368 settlements) in five settlements reached in all of 2002, were subject to wage freezes; there were no wage cuts.

**Distribution of Agreements and Employees
by Range of Wage Adjustments**

Adjustment Range	Agreements		Employees	
	Number	Percentage	Number	Percentage
Less than %	2	1.5	21,470	9.0
% (no increase)	4	3.0	13,660	5.7
Over 0% - 0.9 %	4	3.0	2,450	1.0
1.0% to 1.9%	6	4.5	13,700	5.7
2.0% to 2.9%	36	27.1	59,620	24.9
3.0% to 3.9%	54	40.6	97,020	40.5
4.0% to 4.9%	25	18.8	29,720	12.4
5.0% to 5.9%	1	0.8	780	0.3
6.0% to 6.9%	1	0.8	1,000	0.4
ALL LEVELS	133	100.0	239,420	100.0

Note: Due to rounding, percentages may not always equal 100 per cent.

Source: Workplace Information Directorate.

The incidence of wage freezes and wage rollbacks had declined gradually since 1994. The sudden increase in the incidence of wage freezes and wage rollbacks in the second quarter of 2003 is due in large part to the three Air Canada settlements mentioned previously. Canada Safeway's retail employees in Manitoba were also subject to a wage freeze, as were the clerical, service and maintenance employees with the University of British Columbia, in two separate agreements.

For 65.4 per cent of all employees in the second quarter 2003, wage increases fell in the 2.0 to

3.9 per cent range, compared to 77.5 per cent of employees receiving increases in that range last year.

At the upper end of the wage-gain scale, 13.1 per cent of all employees received wage increases of 4.0 per cent or more in the second quarter, compared to 12.6 per cent of employees in 2002 settlements.

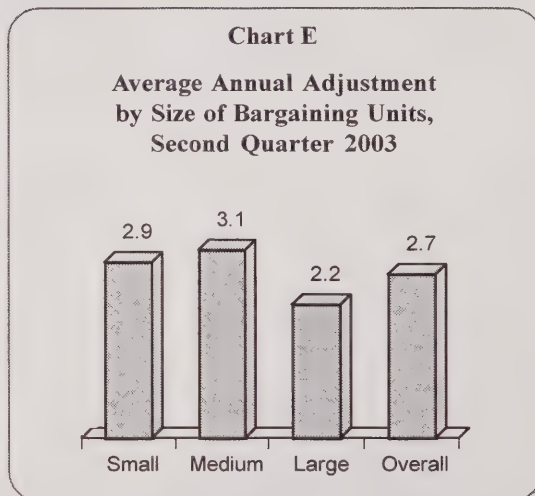
At the lower end, 6.7 per cent of all employees in the second quarter 2003 received wage increases of 0.1 per cent to 1.9 per cent, whereas in the previous year, 9.0 per cent of employees were in that range.

Wage Data for the Second Quarter 2003 for Small, Medium and Large Bargaining Units

Among the 185 collective bargaining settlements reached in the second quarter of 2003, 52 settlements were in small bargaining units (between 100 and 499 employees), 103 were in medium bargaining units (500 to 1,999 employees), and 30 were in large bargaining units with 2,000 employees or over. During this period, the overall base-rate wage adjustment averaged 2.7 per cent.

SMALL bargaining units reported an average increase of **2.9 per cent**. **Public sector** settlements provided an average increase of **3.5 per cent**, higher than the **private sector** wage adjustment of **2.7 per cent**. On an industry basis, the **construction** sector had the highest wage adjustment at **3.7 per cent** while **entertainment and hospitality** reported the lowest average at **2.4 per cent**. On a regional/jurisdictional basis, average increases ranged from a high of **3.5 per cent** in the **Multiprovince** category to a low of **2.0 per cent** in **British Columbia**.

MEDIUM bargaining units reported a second quarter average wage increase of **3.1 per cent**. **Public sector** settlements resulted in an average

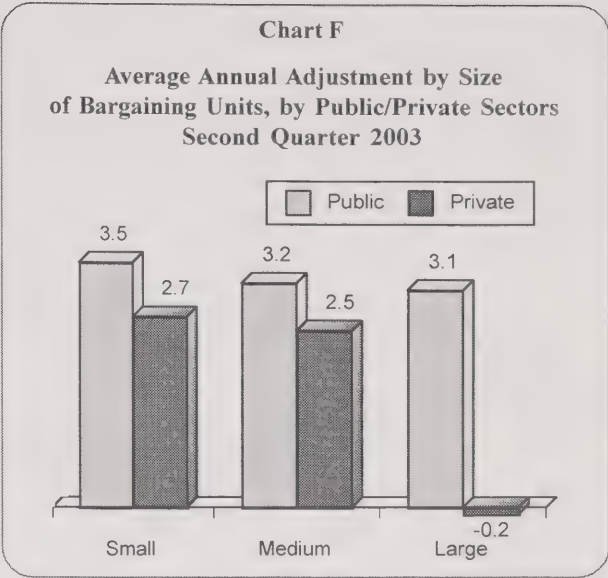


Source: Workplace Information Directorate.

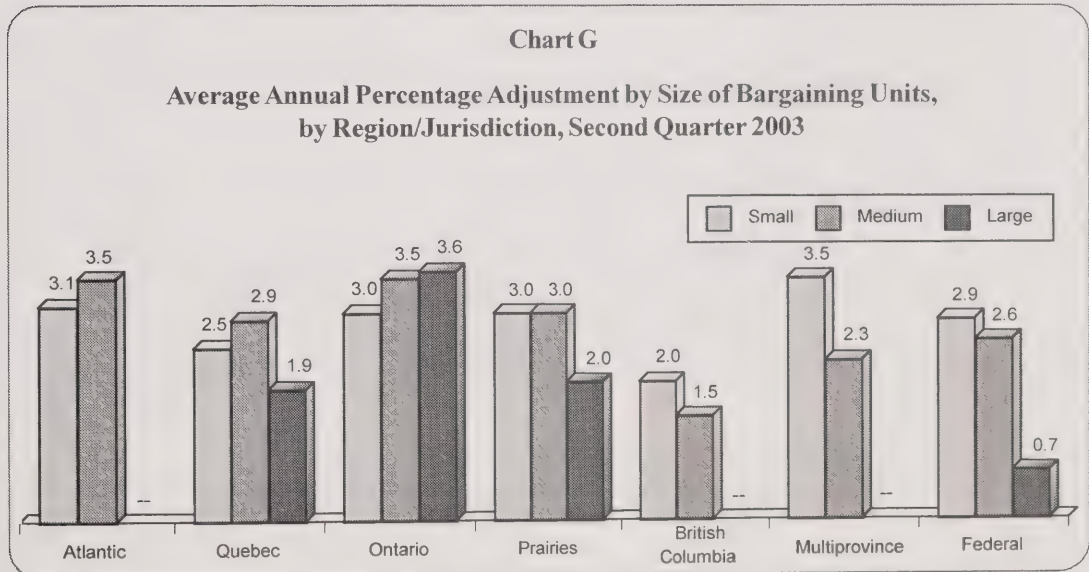
increase of **3.2 per cent**, compared to the **private sector** figure of **2.5 per cent**. On an industry basis, **primary industries** had the highest wage adjustment at **3.8 per cent** while **wholesale and retail trade** reported the lowest average at **2.0 per cent**. On a regional/jurisdictional basis, average

increases ranged from a high of **3.5 per cent** in the **Atlantic Provinces** to a low of **1.5 per cent** in **British Columbia**.

LARGE bargaining units reported a wage increase of **2.2 per cent**. Settlements in the **public sector** provided an average increase of **3.1 per cent** while the **private sector** resulted in an average low of **minus 0.2 per cent** due to wage freeze or wage reductions at Air Canada. On an industry basis, the **education, health and social services** sector had the highest wage adjustment at **3.6 per cent** while the **transportation** sector reported the lowest increase at **0.1 per cent**. On a regional/jurisdictional basis, average increases ranged from a high of **3.6 per cent** in **Ontario** to a low of **0.7 per cent** in the **Federal** jurisdiction.



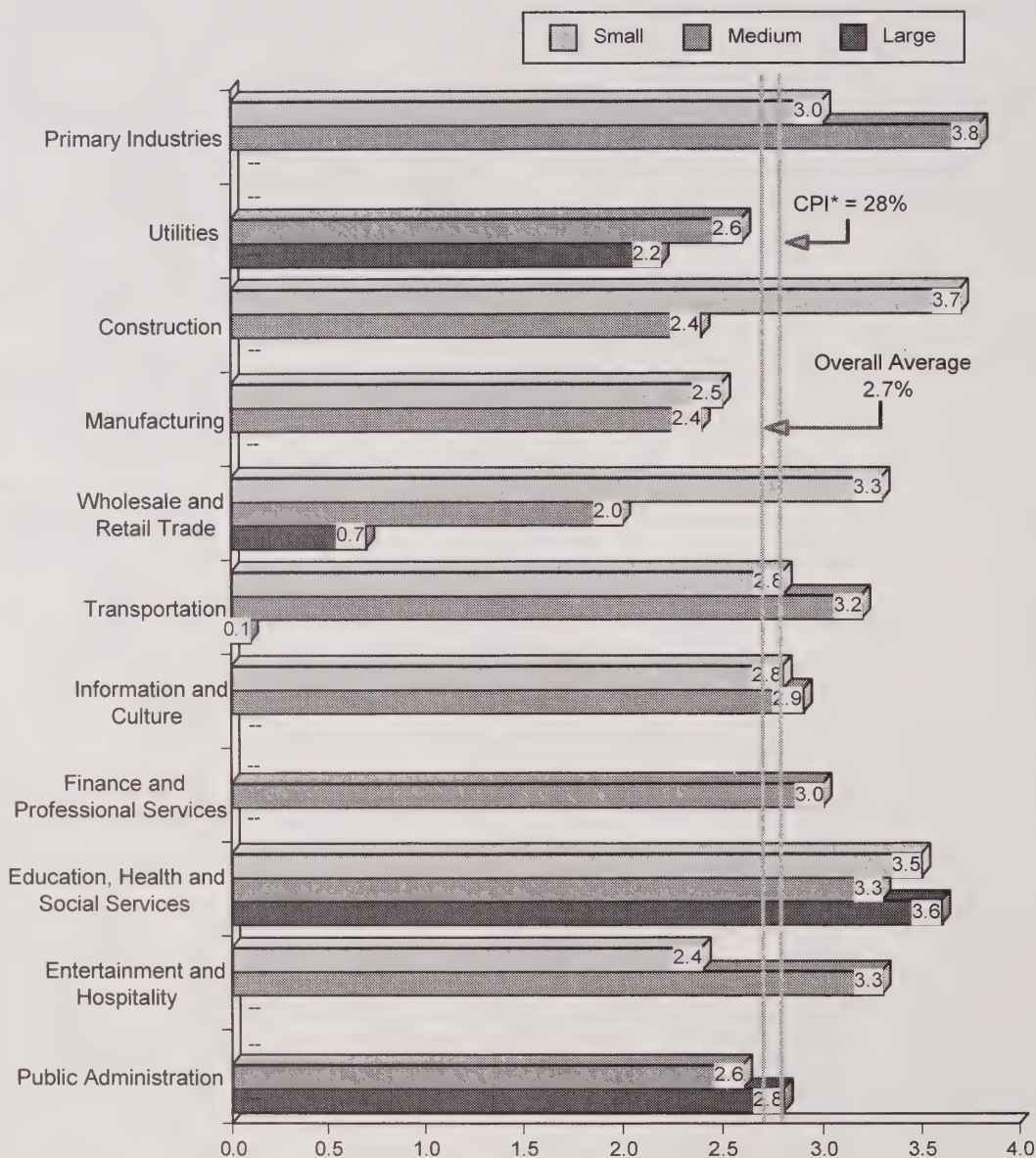
Source: Workplace Information Directorate.



Source: Workplace Information Directorate.

Chart H

**Average Annual Percentage Adjustment
by Size of Bargaining Units, by Industry, Second Quarter 2003**



* Per cent change from the same period last year.

Source: Workplace Information Directorate.

Major Settlements Reached in the Second Quarter 2003

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Primary (1 agreement)	730	3.8	2.7	36.0	
Noranda Inc. (Brunswick Mine), mine employees, Gloucester County, N.B.	730	3.8*	2.7	36	2006-02-28
Utilities (8 agreements)	20,390	2.3	2.3	32.9	
Enbridge Gas Distribution, utility workers, province-wide, Ont.	770	3.1	3.1	12	2003-12-31
Essential Home Services, office and technical employees, province-wide, Ont.	600	3.0	3.0	24	2005-03-31
Hydro One, office and clerical employees, province-wide, Ont.	3,100	3.0	3.0	24	2005-03-31
Hydro-Québec, engineers, province-wide, Que.	1,490	2.0	2.0	36	2006-12-31
Hydro-Québec, general tradesmen, province-wide, Que.	5,890	2.0	2.0	36	2006-12-31
Hydro-Québec, office and clerical employees, province-wide, Que.	5,350	2.0	2.0	36	2006-12-31
Hydro-Québec, technical employees, province-wide, Que.	2,420	2.0	2.0	36	2006-12-31
Union Gas Limited, service and maintenance employees, Southwestern, Ont.	770	3.0	3.0	36	2005-12-31
Construction (2 agreements)	1,110	2.4	2.4	37.4	
Alberta Roadbuilders and Heavy Construction Association, operating engineers, province-wide, Alta.	550	3.2	2.8	48	2007-02-28
Pyramid Corporation, construction employees, province-wide, Alb. and territory-wide, N.W.T.	560	1.6	1.9	27	2005-04-30
Manufacturing (13 agreements)	10,900	2.4	2.1	43.5	
Alcoa Primary Fusion, plant and maintenance employees, Baie-Comeau, Que.	1,590	2.9*	3.0	46	2007-03-31
CAE Inc., plant and maintenance employees, St-Laurent, Que.	760	2.6	2.0	60	2008-06-19
Cadbury Trebor Allan Inc., production employees, Toronto, Ont.	550	2.0	0.0	36	2005-12-03
Hershey Canada Inc., production employees, Dartmouth, N.S.	700	3.1	3.8	36	2006-03-31
Kellogg Canada Inc., plant and maintenance employees, London, Ont.	600	1.5	0.0	36	2006-04-09
Mitchell's Gourmet Foods, plant and maintenance employees, Saskatoon, Sask.	1,330	2.6	3.0	48	2007-03-31
National Steel Car Limited, plant and maintenance employees, Hamilton, Ont.	1,380	2.0*	0.9	36	2006-04-05
OI Canada Corporation, plant and maintenance employees, Montréal, Que.	580	2.5*	2.0	48	2007-02-28
Pope and Talbot Ltd. (Harmac Pulp Operations), mill employees, Nanaimo, B.C.	500	2.2	2.5	60	2008-04-30
Scott Paper Limited, Western Manufacturing Division, mill employees, New Westminster, B.C.	550	2.2	2.5	60	2008-04-30
TRW Canada Limited, plant and maintenance employees, St. Catharines, Ont.	700	1.1*	0.8	36	2006-04-30
Waterville TG inc., plant and maintenance employees, Waterville, Que.	1,150	2.8	3.0	36	2005-07-31
Willmar Windows, academic staff, Winnipeg, Man.	510	2.0	2.0	36	2005-11-12
Wholesale and Retail Trade (6 agreements)	12,490	1.0	1.6	53.4	
Canada Safeway Limited, retail employees, Northern, Alta.	550	0.9	2.0	72	2007-03-17
Canada Safeway Limited, retail employees, Southern, Alta.	500	0.9	2.0	72	2007-03-17
Canada Safeway Limited, retail employees, province-wide, Alta.	6,800	1.0	2.1	72	2007-03-17
Canada Safeway Limited, retail employees, province-wide, Man.	3,100	0.0	0.0	12	2004-11-13

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Wholesale and Retail Trade (continued)					
Corporation des concessionnaires d'automobiles du Saguenay-Lac-St-Jean, service and maintenance employees, Saguenay-Lac-St-Jean Region, Que.	690	3.0	3.1	50	2007-02-28
Finning (Canada), Division of Finning International Ltd., service and maintenance employees, province-wide, B.C. and territory-wide, N.W.T.	850	2.5	2.0	36	2006-04-14
Transportation (5 agreements)	37,110	0.3	-0.6	39.6	
Air Canada, customer service, system-wide	7,060	0.0	0.0	36	2006-06-03
Air Canada, flight attendants, system-wide	7,840	-1.1	-3.5	37	2006-06-29
Air Canada, operational employees, system-wide	13,630	-0.5	-1.5	39	2006-08-26
Canada Post Corporation, postmasters, Canada-wide	6,630	2.9*	2.8	48	2005-12-31
City of Calgary, bus drivers, Calgary, Alta.	1,950	3.2	3.0	39	2006-06-30
Information and Culture (3 agreements)	3,550	2.9	1.7	42.1	
Bingo Press and Specialty Ltd., printing employees, St. Catharines, Ont.	550	4.6	3.6	36	2006-03-31
Canadian Broadcasting Corporation, technical employees, province-wide, Que. and Moncton, N.B.	1,400	2.7	3.0	24	2005-03-31
Expertech Network Installation Inc., technical employees, Ont. and Que.	1,600	2.5*	0.0	60	2006-11-30
Finance and Professional Services (1 agreement)	740	3.0	3.0	36.0	
Metropolitan Toronto Convention Centre Corporation, general services employees, Toronto, Ont.	740	3.0	3.0	36	2005-12-31
Education, Health and Social Services (83 agreements)	118,650	3.5	3.3	24.2	
Avon Maitland District School Board, elementary teachers, Seaforth, Ont.	730	4.0	4.0	12	2003-08-31
Avon Maitland District School Board, office and clerical employees, Seaforth, Ont.	600	3.7	3.2	24	2004-08-31
Bluewater District School Board, elementary teachers, Chesley, Ont.	710	3.1	3.0	24	2004-08-31
Bluewater District School Board, secondary teachers, Chesley, Ont.	520	4.0	4.1	24	2004-08-31
Calgary Board of Education, office and clerical employees, Calgary, Alta.	2,200	3.8	6.1	32	2004-08-31
Continuing Care Employers Bargaining Association, nursing assistants, Edmonton, Alta.	1,350	3.5	4.0	24	2004-06-30
District School Board of Niagara, office and clerical employees, St. Catharines, Ont.	700	2.5	2.5	12	2004-12-31
District School Board of Niagara, secondary teachers, St. Catharines, Ont.	1,040	4.2	4.2	12	2003-08-31
District School Board of Niagara, service and maintenance employees, St. Catharines, Ont.	730	2.5	2.5	12	2004-12-31
Durham Catholic District School Board, elementary teachers, Oshawa, Ont.	910	3.9	3.0	24	2004-08-31
Durham District School Board, elementary teachers, Whitby, Ont.	2,430	4.1	4.2	24	2004-08-31
Durham District School Board, secondary teachers, Whitby, Ont.	1,460	4.1	4.2	24	2004-08-31
Durham District School Board, teaching assistants, Whitby, Ont.	600	3.2	3.1	36	2006-03-31
Government of Yukon, elementary and secondary teachers, territory-wide, Y.T.	690	2.5	2.0	36	2006-06-30
Grand Erie District School Board, elementary teachers, Brantford, Ont.	1,030	3.7	2.8	36	2004-08-31

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Education, Health and Social Services (continued)					
Grand Erie District School Board, secondary teachers, Brantford, Ont.	800	4.1	4.1	12	2003-08-31
Greater Essex County District School Board, elementary teachers, Windsor, Ont.	1,430	4.3	4.3	12	2003-08-30
Greater Essex County District School Board, secondary and occasional teachers, Windsor, Ont.	720	4.3	4.3	12	2003-08-31
Halton District School Board, secondary teachers, Burlington, Ont.	1,080	3.9	3.5	24	2004-08-31
Hamilton-Wentworth Catholic District School Board, secondary teachers, Hamilton, Ont.	550	4.8	4.8	12	2004-08-31
Hamilton-Wentworth District School Board, elementary teachers, Hamilton, Ont.	2,000	3.8	3.6	24	2004-08-31
Hamilton-Wentworth District School Board, secondary teachers, Hamilton, Ont.	1,400	3.8	3.6	24	2004-08-31
Hastings and Prince Edward District School Board, elementary teachers, Belleville, Ont.	700	4.1	4.2	24	2004-08-31
Hastings and Prince Edward District School Board, secondary and occasional teachers, Belleville, Ont.	500	4.2	4.2	12	2003-08-31
Kawartha Pine Ridge District School Board, elementary teachers, Peterborough, Ont.	1,500	4.2	4.2	12	2003-08-30
Kawartha Pine Ridge District School Board, secondary teachers, Peterborough, Ont.	900	4.2	4.2	12	2003-08-31
Lambton Kent District School Board, secondary teachers, Sarnia, Ont.	610	4.1	4.1	12	2003-08-31
Limestone District School Board, secondary teachers, Kingston, Ont.	660	4.2	4.2	12	2003-08-31
London District Catholic School Board, elementary and secondary teachers, London, Ont.	1,240	3.0	3.0	24	2004-08-31
McGill University, teaching assistants, Montréal, Que.	800	3.1	0.0	73	2007-06-30
McMaster University, support employees, Hamilton County, Ont.	1,790	2.8	3.3	36	2006-06-15
Near North District School Board, elementary teachers, Parry Sound, Ont.	500	3.9	3.8	24	2004-08-30
Ottawa-Carleton Catholic District School Board, elementary and secondary teachers, Ottawa, Ont.	2,400	3.6	4.5	24	2004-08-31
Ottawa-Carleton District School Board, elementary teachers, Ottawa, Ont.	2,840	3.8	3.5	24	2004-08-31
Ottawa-Carleton District School Board, occasional teachers, Nepean, Ont.	900	2.0	2.0	36	2004-08-31
Ottawa-Carleton District School Board, secondary teachers, Ottawa and area, Ont.	1,600	3.5	2.5	36	2004-08-31
Ottawa Hospital, health and social care professionals, Ottawa, Ont.	1,550	4.4	5.0	27	2002-03-31
Parkland School Division No. 70, elementary and secondary teachers, Stony Plain, Alta.	540	2.6	2.6	12	2003-08-31
Peel District School Board, elementary teachers, Mississauga, Ont.	5,000	3.6	3.4	24	2004-08-31
Peel District School Board, secondary teachers, Mississauga, Ont.	2,300	3.6	3.4	24	2004-08-31
Peel District School Board, teaching assistants, Mississauga, Ont.	750	3.6	3.4	24	2004-08-31
Provincial Health Authorities of Alberta, support employees, Grande Prairie, Alta.	930	3.9	4.0	24	2004-03-31
Rainbow District School Board, elementary teachers, Sudbury, Ont.	780	5.0	5.0	12	2004-08-31
Red Deer Public School District No. 104, elementary and secondary teachers, Red Deer, Alta.	560	3.1	3.1	12	2003-08-31
Ryerson University, professors, Toronto, Ont.	550	2.7	2.0	48	2005-06-30
St. James-Assiniboia School Division No. 2, elementary and secondary teachers, St. James-Assiniboia, Man.	700	3.0	3.0	12	2003-06-30
St. Michael's Hospital, health service-non-professionals, Toronto, Ont.	1,000	2.8	2.5	36	2004-03-31

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Education, Health and Social Services (continued)					
Simcoe County District School Board, elementary teachers, Midhurst, Ont.	2,220	4.0	4.1	24	2004-08-31
Simcoe County District School Board, occasional teachers, Midhurst, Ont.	800	4.4	4.4	12	2004-08-31
Simcoe County District School Board, office and clerical employees, Midhurst, Ont.	780	3.0	3.0	12	2003-12-31
Simcoe County District School Board, secondary teachers, Midhurst, Ont.	1,130	3.5	2.5	36	2004-08-31
Simcoe Muskoka Catholic District School Board, elementary teachers, Barrie, Ont.	800	4.6	3.5	24	2004-08-31
Simon Fraser University, office and clerical employees, Burnaby, B.C.	800	0.8	0.0	36	2005-03-31
Thames Valley District School Board, custodial, London, Ont.	660	2.4	3.0	44	2005-08-31
Thames Valley District School Board, educational services, London, Ont.	670	2.5	3.0	44	2005-08-31
Thames Valley District School Board, elementary teachers, London, Ont.	3,200	4.1	3.5	24	2004-08-31
Thames Valley District School Board, secondary teachers, London, Ont.	1,900	4.1	4.2	24	2004-08-31
The Board of Governors of Mount Royal College, lecturers, Calgary, Alta.	700	4.4	4.5	24	2004-06-30
Toronto District School Board, elementary teachers, Toronto, Ont.	11,000	3.6	3.1	24	2004-08-31
Toronto District School Board, occasional teachers, Toronto, Ont.	2,400	3.0	3.0	24	2004-08-31
Toronto District School Board, secondary teachers, Toronto, Ont.	6,000	3.6	3.1	24	2004-08-31
Université de Montréal, office and clerical employees, Montréal, Que.	1,700	2.0	2.0	12	2003-11-30
Université du Québec à Montréal, lecturers, Montréal, Que.	1,970	3.5	3.5	12	2003-12-31
Université du Québec à Montréal, professors, Montréal, Que.	1,000	6.4	6.4	12	2004-05-31
Université du Québec à Trois-Rivières, lecturers, Trois-Rivières, Que.	840	1.8	2.0	13	2004-05-31
Université Laval, office and technical employees, Québec, Que.	1,600	3.8	3.8	12	2003-05-31
Université Laval, professors, Québec, Que.	1,160	2.0	2.0	12	2004-05-31
University College of the Fraser Valley Board, post-secondary, non university teachers, Abbotsford, B.C.	750	2.6	2.6	12	2004-03-31
University of British Columbia, office and clerical employees, Vancouver, B.C.	1,650	0.0	0.0	36	2005-03-31
University of British Columbia, service and maintenance employees, Vancouver, B.C.	1,850	0.0	0.0	36	2005-03-31
University of British Columbia, teaching assistants, Vancouver, B.C.	1,600	3.8	4.0	36	2005-08-31
University of Victoria, office and clerical employees, Victoria, B.C.	600	0.4	0.0	36	2005-03-31
University of Western Ontario, lecturers, London, Ont.	1,400	3.1	3.5	48	2006-06-30
Upper Canada District School Board No. 26, elementary teachers, Brockville, Ont.	1,300	3.9	3.5	24	2004-08-31
Upper Canada District School Board No. 26, secondary teachers, Brockville, Ont.	920	3.4	2.5	36	2004-08-31
Upper Grand District School Board, elementary teachers, Guelph, Ont.	1,110	4.2	4.2	12	2003-08-31
Waterloo Catholic District School Board, office and clerical employees, Waterloo county, Ont.	550	2.7	3.0	36	2005-08-31
Waterloo Region District School Board, elementary teachers, Kitchener, Ont.	2,340	4.0	4.0	24	2004-08-31
Waterloo Region District School Board, secondary teachers, Kitchener, Ont.	1,200	3.5	2.4	36	2004-08-31
Windsor-Essex Catholic District School Board, elementary teachers, Windsor, Ont.	870	3.0	3.0	24	2004-08-31
York Catholic District School Board, elementary and secondary teachers, Aurora, Ont.	3,540	3.2	3.2	12	2004-08-31
York Region District School Board, office and clerical employees, Aurora, Ont.	1,170	3.5	3.6	24	2005-08-31

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Education, Health and Social Services (continued)					
York University, professors, Toronto, Ont.	1,190	3.2	3.0	36	2006-04-30
Entertainment and Hospitality (1 agreement)					
Canadian Pacific Hotels Corporation (Château Frontenac), hotel and restaurant employees, Québec, Que.	520	3.3	3.0	36.0	
	520	3.3	3.0	36	2005-12-31
Public Administration (10 agreements)					
	33,230	2.8	3.2	37.5	
City of Calgary, inside employees, Calgary, Alta.	2,700	3.3	3.0	36	2005-12-26
City of London, inside employees, London, Ont.	700	3.0	3.0	24	2004-12-31
City of Montréal, police officers, Montréal, Que.	4,200	1.5*	0.0	56	2006-12-31
City of Richmond, inside employees, Richmond, B.C.	700	2.6*	2.5	48	2006-12-31
City of Winnipeg, inside and outside employees, Winnipeg, Man.	5,250	3.0	3.0	36	2005-12-30
Corporation of Delta, inside and outside employees, Delta, B.C.	630	2.6*	2.5	48	2006-12-31
Government of Canada, computer operators, Canada-wide	10,500	2.4	4.0	32	2004-12-21
Government of Ontario, administrative and support employees, province-wide, Ont.	2,230	3.7	4.1	36	2005-12-31
Government of Ontario, police officers, province-wide, Ont.	5,450	3.7	4.1	36	2005-12-31
Ville de Laval, recreational employees, Laval, Que.	870	2.3	2.6	36	2004-12-31
Agreements with COLA (10 agreements)					
	18,740	2.4*	1.7	48.8	
Agreements without COLA (123 agreements)					
	220,680	2.6	2.5	30.6	
All Agreements (133 agreements)					
	239,420	2.6	2.4	32.0	

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Source: Workplace Information Directorate.

Calendars of Collective Agreements Expiries and Reopeners

Coming soon, the 2004 Calendar listings for
MAJOR and SMALL Bargaining Units

2003 Calendar of Major Bargaining Units is available on the
Workplace Information Directorate Web site at

<http://labour.hrdc-drhc.gc.ca/doc/wid-dimt/eng/expreo.cfm>

Table 1
Major Wage Settlements, by Public and Private Sectors,
by Year and Quarter

Year	Public Sector				Private Sector				All Sectors			
	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.
	(Months)	(000's)	(%)	(Months)	(000's)	(%)	(Months)	(%)	(Months)	(000's)	(%)	(%)
1983	458	19.6	1,241.6	4.6	200	25.0	302.8	5.5	658	20.6	1,544.3	4.8
1984	276	17.0	635.2	3.9	283	26.1	521.0	3.2	559	21.1	1,156.2	3.6
1985	316	21.7	566.8	3.8	200	30.1	271.8	3.3	516	24.5	838.6	3.7
1986	321	25.3	709.2	3.6	232	26.0	412.2	3.0	553	25.6	1,121.5	3.4
1987	270	29.4	824.3	4.1	208	31.4	287.0	3.8	478	29.9	1,111.3	4.0
1988	301	24.0	698.6	4.0	241	27.2	484.1	5.0	542	25.3	1,182.7	4.4
1989	294	30.0	736.0	5.2	159	28.6	265.8	5.2	453	29.6	1,001.8	5.2
1990	283	27.4	677.8	5.6	224	29.7	468.5	5.7	507	28.4	1,146.4	5.6
1991	365	16.0	1,121.7	3.4	182	29.2	224.0	4.4	547	18.2	1,345.6	3.6
1992	301	21.7	975.9	2.0	195	32.2	330.9	2.6	496	24.3	1,306.8	2.1
1993	347	23.4	1,012.0	0.6	171	25.2	400.5	0.8	518	23.9	1,412.5	0.7
1994	299	26.5	719.8	-0.0	135	34.5	222.8	1.2	434	28.4	942.6	0.3
1995	215	31.5	629.6	0.6	187	35.9	279.2	1.4	402	32.8	908.8	0.9
1996	212	31.7	564.3	0.5	166	34.7	246.1	1.7	378	32.6	810.4	0.9
1997	220	30.3	370.3	1.1	159	38.1	321.9	1.8	379	33.9	692.2	1.5
1998	221	31.1	646.3	1.6	191	33.7	292.0	1.8	412	31.9	938.3	1.7
1999	219	35.0	510.6	2.0	160	37.6	317.6	2.7	379	36.0	828.1	2.2
2000	303	33.5	918.0	2.5	103	41.8	163.3	2.4	406	34.8	1,081.3	2.5
2001	259	31.9	691.9	3.3	169	36.7	300.7	3.0	428	33.4	992.6	3.2
2002	260	26.0	774.5	2.9	108	39.9	213.5	2.6	368	29.0	988.0	2.8
2003 *	165	28.6	262.0	3.1	55	41.8	85.1	1.2	220	31.8	347.1	2.6
* Year to Date												
Quarter												
2000 I	122	39.9	497.4	2.4	30	30.5	39.2	3.0	152	39.2	536.6	2.4
II	58	21.3	208.4	2.5	29	41.0	34.3	2.6	87	24.1	242.7	2.6
III	44	33.5	79.6	2.6	20	52.2	58.8	1.9	64	41.4	138.4	2.3
IV	79	29.0	132.5	3.1	24	37.1	31.0	2.3	103	30.5	163.6	2.9
2001 I	59	29.6	144.3	3.9	20	35.9	34.1	2.5	79	30.8	178.4	3.6
II	88	30.9	201.5	3.0	70	35.6	110.7	3.0	158	32.6	312.2	3.0
III	59	31.1	129.9	3.7	46	36.5	122.6	3.2	105	33.7	252.5	3.5
IV	53	34.9	216.2	3.0	33	42.2	33.3	2.4	86	35.9	249.5	3.0
2002 I	47	34.7	175.7	3.1	18	36.5	33.3	2.1	65	35.0	209.0	2.9
II	104	19.9	404.9	2.7	26	38.0	49.4	2.5	130	21.9	454.3	2.6
III	49	30.9	104.2	3.2	43	45.5	83.1	2.4	92	37.4	187.4	2.8
IV	60	30.5	89.6	3.3	21	34.5	47.7	3.5	81	31.9	137.4	3.3
2003 I	63	28.3	81.2	2.9	24	40.8	26.5	2.4	87	31.3	107.7	2.8
II	102	28.7	180.9	3.2	31	42.2	58.6	0.7	133	32.0	239.4	2.6
III	-	-	-	-	-	-	-	-	-	-	-	-
IV	-	-	-	-	-	-	-	-	-	-	-	-

Agmts. - Number of Agreements
Dur. - Average Agreement Duration
Empls. - Number of Employees
Avg. Adj. - Average Annual Adjustment (%)

Table 2
Effective Wage Adjustment in Base Rates, by Region/Jurisdiction,
by Year and Quarter

	2000	2001	2002	2002		2003	
	(%)	(%)	(%)	3	4	1	2
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
All Sectors							
CANADA	2.5	3.2	2.8	2.8	3.3	2.8	2.6
<i>Atlantic</i>	2.7	3.9	4.1	3.2	2.7	3.1	3.5
Newfoundland and Labrador	3.7	5.0	6.6	-	5.0	3.0	-
Prince Edward Island	2.2	3.1	4.9	6.0	-	3.6	-
Nova Scotia	2.2	3.7	2.4	2.5	2.5	3.4	3.1
New Brunswick	2.8	3.4	2.7	3.3	2.3	2.3	3.8
Quebec	2.4	2.8	2.1	2.3	2.0	1.8	2.4
Ontario	2.6	2.9	3.0	3.1	3.4	3.1	3.6
<i>Prairies</i>	3.9	4.3	4.4	3.7	4.0	3.4	2.3
Manitoba	2.6	2.4	4.0	3.0	3.2	3.1	2.0
Saskatchewan	3.5	2.9	3.9	3.9	3.8	3.6	2.6
Alberta	4.7	5.1	5.0	4.4	4.1	3.5	2.5
British Columbia	1.6	3.1	1.9	1.4	2.0	2.3	1.5
Territories	2.9	3.1	3.0	-	3.1	-	2.5
Multiprovince	2.4	3.0	4.3	4.3	-	-	2.2
Federal	2.2	3.0	2.9	2.9	3.2	2.1	0.8
Public Sector							
CANADA	2.5	3.3	2.9	3.2	3.3	2.9	3.2
<i>Atlantic</i>	3.0	4.0	4.3	3.1	3.1	3.2	-
Newfoundland and Labrador	6.3	5.0	7.2	-	5.0	4.0	-
Prince Edward Island	2.2	3.1	4.9	6.0	-	-	-
Nova Scotia	2.2	3.8	2.3	2.1	2.5	3.4	-
New Brunswick	3.5	3.5	3.0	3.3	3.2	2.3	-
Quebec	2.3	2.7	2.0	3.0	2.2	1.4	2.3
Ontario	2.7	3.0	2.9	2.9	3.0	3.2	3.6
<i>Prairies</i>	3.9	4.1	4.8	3.9	4.1	3.3	3.3
Manitoba	2.5	2.4	4.6	3.0	3.2	3.1	3.0
Saskatchewan	3.6	2.9	4.4	3.9	4.2	3.6	-
Alberta	4.7	5.0	5.2	5.0	4.1	3.5	3.5
British Columbia	1.4	3.2	2.2	1.9	-	2.3	1.5
Territories	2.9	3.1	3.0	-	3.1	-	2.5
Multiprovince	-	-	-	-	-	-	-
Federal	2.2	3.1	2.9	2.9	3.4	2.8	2.6
Private Sector							
CANADA	2.4	3.0	2.6	2.4	3.5	2.4	0.7
<i>Atlantic</i>	1.7	3.3	2.7	4.0	0.5	2.8	3.5
Newfoundland and Labrador	2.0	-	3.0	-	-	2.7	-
Prince Edward Island	-	-	-	-	-	3.6	-
Nova Scotia	1.7	3.3	4.0	4.0	-	-	3.1
New Brunswick	1.4	3.0	1.4	-	0.5	-	3.8
Quebec	3.3	2.8	2.5	2.2	1.7	2.2	2.9
Ontario	2.3	2.8	3.2	3.3	4.1	2.7	2.5
<i>Prairies</i>	3.9	4.9	1.6	2.5	1.8	3.8	1.1
Manitoba	3.3	2.5	1.3	2.7	-	-	0.3
Saskatchewan	2.0	3.3	1.6	-	1.8	-	2.6
Alberta	5.0	5.5	2.3	2.3	-	3.8	1.1
British Columbia	2.0	1.7	1.4	1.3	2.0	-	2.2
Territories	-	-	-	-	-	-	-
Multiprovince	2.4	3.0	4.3	4.3	-	-	2.2
Federal	2.2	2.5	2.8	3.0	3.1	1.8	-0.4

Table 3
Number of Agreements and Employees Covered, by Region/Jurisdiction,
by Year and Quarter

	2000		2001		2002	
	Number of	Number of	Number of	Number of	Number of	Number of
	Agreements	Employees	Agreements	Employees	Agreements	Employees
		(000's)		(000's)		(000's)
All Sectors						
CANADA	406	1,081.3	428	992.6	368	988.0
<i>Atlantic</i>	19	28.5	33	62.9	27	48.2
Newfoundland and Labrador	4	5.0	7	16.1	6	17.7
Prince Edward Island	2	1.3	5	6.7	2	1.7
Nova Scotia	4	11.7	15	19.4	10	16.7
New Brunswick	9	10.4	6	20.6	9	12.2
Quebec	96	345.9	43	111.4	76	304.0
Ontario	150	286.9	182	310.6	138	313.0
<i>Prairies</i>	62	109.3	77	148.7	62	128.9
Manitoba	20	29.7	16	12.8	23	44.6
Saskatchewan	4	14.3	14	41.9	13	34.0
Alberta	38	65.2	47	94.0	26	50.3
British Columbia	38	67.7	34	167.1	33	93.3
Territories	3	5.6	2	2.0	2	3.8
Multiprovince	3	2.8	8	13.8	1	1.0
Federal	35	234.7	49	176.3	29	95.8
Public Sector						
CANADA	303	318.0	259	691.9	260	774.5
<i>Atlantic</i>	10	20.6	25	55.5	22	42.9
Newfoundland and Labrador	3	2.0	7	16.1	5	15.2
Prince Edward Island	2	1.3	5	6.7	2	1.7
Nova Scotia	2	10.6	8	13.3	8	15.6
New Brunswick	3	6.7	5	19.4	7	10.5
Quebec	76	322.0	18	25.8	60	270.3
Ontario	105	212.6	108	187.6	97	221.2
<i>Prairies</i>	58	106.0	56	119.0	50	112.4
Manitoba	19	28.6	9	7.2	17	37.2
Saskatchewan	3	13.8	12	40.6	8	27.9
Alberta	36	63.7	35	71.2	25	47.3
British Columbia	29	41.6	24	157.6	12	60.2
Territories	3	5.6	2	2.0	2	3.8
Multiprovince	-	-	-	-	-	-
Federal	22	209.5	26	144.3	17	63.7
Private Sector						
CANADA	103	163.3	169	300.7	108	213.5
<i>Atlantic</i>	9	7.8	8	7.3	5	5.3
Newfoundland and Labrador	1	3.0	-	-	1	2.5
Prince Edward Island	-	-	-	-	-	-
Nova Scotia	2	1.1	7	6.1	2	1.1
New Brunswick	6	3.7	1	1.2	2	1.7
Quebec	20	23.8	25	85.5	16	33.6
Ontario	45	74.3	74	123.0	41	91.8
<i>Prairies</i>	4	3.2	21	29.7	12	16.6
Manitoba	1	1.1	7	5.7	6	7.4
Saskatchewan	1	0.6	2	1.2	5	6.1
Alberta	2	1.5	12	22.8	1	3.0
British Columbia	9	26.0	10	9.4	21	33.2
Territories	-	-	-	-	-	-
Multiprovince	3	2.8	8	13.8	1	1.0
Federal	13	25.2	23	32.0	12	32.0

Table 3 (continued)

**Number of Agreements and Employees Covered, by Region/Jurisdiction,
by Year and Quarter**

	2002				2003			
	3		4		1		2	
	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)
All Sectors								
CANADA	92	187.4	81	137.4	87	107.7	133	239.4
<i>Atlantic</i>	8	8.7	5	4.3	6	16.5	2	1.4
Newfoundland and Labrador	-	-	1	0.5	2	3.4	-	-
Prince Edward Island	1	1.0	-	-	1	0.6	-	-
Nova Scotia	4	4.9	2	1.9	1	10.0	1	0.7
New Brunswick	3	2.8	2	1.9	2	2.5	1	0.7
Quebec	6	14.9	5	9.7	9	10.2	19	34.6
Ontario	37	67.3	45	81.5	35	35.2	75	112.8
<i>Prairies</i>	13	40.2	16	25.4	12	18.0	17	30.2
Manitoba	6	14.8	2	2.1	2	6.7	4	9.6
Saskatchewan	1	12.4	4	4.4	1	0.8	1	1.3
Alberta	6	13.0	10	18.9	9	10.6	12	19.3
British Columbia	20	34.1	3	2.1	16	15.0	10	9.6
Territories	-	-	1	0.6	-	-	1	0.7
Multiprovince	1	1.0	-	-	-	-	2	1.4
Federal	7	21.2	6	13.7	9	12.8	7	48.7
Public Sector								
CANADA	49	104.2	60	89.6	63	81.2	102	180.9
<i>Atlantic</i>	6	7.6	4	3.7	4	13.3	-	-
Newfoundland and Labrador	-	-	1	0.5	1	0.9	-	-
Prince Edward Island	1	1.0	-	-	-	-	-	-
Nova Scotia	2	3.8	2	1.9	1	10.0	-	-
New Brunswick	3	2.8	1	1.3	2	2.5	-	-
Quebec	1	2.8	3	5.3	6	5.7	13	29.3
Ontario	22	31.0	35	52.2	24	26.3	67	106.9
<i>Prairies</i>	9	34.8	15	24.7	11	17.2	10	16.9
Manitoba	3	12.4	2	2.1	2	6.7	2	6.0
Saskatchewan	1	12.4	3	3.6	1	0.8	-	-
Alberta	5	10.0	10	18.9	8	9.7	8	10.9
British Columbia	5	7.6	-	-	16	15.0	8	8.6
Territories	-	-	1	0.6	-	-	1	0.7
Multiprovince	-	-	-	-	-	-	-	-
Federal	6	20.5	2	3.1	2	3.7	3	18.5
Private Sector								
CANADA	43	83.1	21	47.7	24	26.5	31	58.6
<i>Atlantic</i>	2	1.1	1	0.6	2	3.1	2	1.4
Newfoundland and Labrador	-	-	-	-	1	2.5	-	-
Prince Edward Island	-	-	-	-	1	0.6	-	-
Nova Scotia	2	1.1	-	-	-	-	1	0.7
New Brunswick	-	-	1	0.6	-	-	1	0.7
Quebec	5	12.1	2	4.4	3	4.5	6	5.3
Ontario	15	36.3	10	29.3	11	8.9	8	5.9
<i>Prairies</i>	4	5.5	1	0.7	1	0.9	7	13.3
Manitoba	3	2.5	-	-	-	-	2	3.6
Saskatchewan	-	-	1	0.7	-	-	1	1.3
Alberta	1	3.0	-	-	1	0.9	4	8.4
British Columbia	15	26.5	3	2.1	-	-	2	1.1
Territories	-	-	-	-	-	-	-	-
Multiprovince	1	1.0	-	-	-	-	2	1.4
Federal	1	0.7	4	10.6	7	9.1	4	30.1

Table 4

Effective Wage Adjustment in Base Rates, by Major Industry Division, with and without COLA, by year and Quarter

Non-COLA Agreements					COLA Agreements				All Agreements			
Agmts.	Dur.	Empls.	Avg. Adj.		Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.
	(Months)	(000's)	(%)			(Months)	(000's)	(%)		(Months)	(000's)	(%)
Primary Industries												
2000	1	40.0	0.5	2.0	3	36.0	4.9	1.8	4	36.4	5.5	1.8
2001	4	40.9	3.3	3.1	2	45.5	3.1	2.2	6	43.1	6.4	2.7
2002	1	48.0	0.6	1.5	2	36.0	1.7	1.9	3	39.2	2.4	1.8
2002 III	-	-	-	-	2	36.0	1.7	1.9	2	36.0	1.7	1.9
IV	-	-	-	-	-	-	-	-	-	-	-	-
2003 I	-	-	-	-	1	36.0	0.7	1.5	1	36.0	0.7	1.5
II	-	-	-	-	1	36.0	0.7	3.8	1	36.0	0.7	3.8
Utilities												
2000	14	24.5	25.1	3.5	-	-	-	-	14	24.5	25.1	3.5
2001	10	26.4	12.5	2.6	4	47.0	9.8	2.4	14	35.5	22.3	2.5
2002	13	30.9	17.9	2.4	2	36.0	1.3	3.0	15	31.3	19.1	2.4
2002 III	3	34.2	4.1	3.3	-	-	-	-	3	34.2	4.1	3.3
IV	2	30.5	1.3	3.9	2	36.0	1.3	3.0	4	33.2	2.6	3.4
2003 I	2	24.0	1.6	3.9	-	-	-	-	2	24.0	1.6	3.9
II	8	32.9	20.4	2.3	-	-	-	-	8	32.9	20.4	2.3
Construction												
2000	7	25.2	8.9	3.6	1	48.0	0.5	2.7	8	26.4	9.4	3.6
2001	62	34.8	191.6	3.2	3	60.0	2.5	3.5	65	35.2	194.1	3.2
2002	12	47.4	23.7	1.2	-	-	-	-	12	47.4	23.7	1.2
2002 III	12	47.4	23.7	1.2	-	-	-	-	12	47.4	23.7	1.2
IV	-	-	-	-	-	-	-	-	-	-	-	-
2003 I	-	-	-	-	-	-	-	-	-	-	-	-
II	2	37.4	1.1	2.4	-	-	-	-	2	37.4	1.1	2.4
Manufacturing												
2000	36	33.5	47.4	2.2	17	35.5	21.7	3.6	53	34.1	69.0	2.7
2001	24	45.5	19.2	2.2	27	36.2	26.3	2.8	51	40.1	45.4	2.6
2002	28	41.4	34.2	2.8	20	36.9	56.4	3.9	48	38.6	90.6	3.5
2002 III	5	49.6	4.3	2.6	9	37.6	25.2	3.8	14	39.4	29.5	3.6
IV	7	47.4	4.4	2.4	6	36.3	26.6	4.2	13	37.9	30.9	4.0
2003 I	9	31.5	9.8	2.6	4	48.6	3.7	2.0	13	36.2	13.5	2.4
II	9	44.9	6.7	2.4	4	41.4	4.3	2.3	13	43.5	10.9	2.4
Wholesale and Retail Trade												
2000	12	53.8	33.0	1.9	2	71.4	10.6	1.0	14	58.1	43.6	1.7
2001	7	51.9	5.6	1.6	-	-	-	-	7	51.9	5.6	1.6
2002	16	40.8	38.4	2.0	1	36.0	5.2	1.4	17	40.2	43.6	1.9
2002 III	5	49.6	14.3	2.2	-	-	-	-	5	49.6	14.3	2.2
IV	1	36.0	1.2	1.8	-	-	-	-	1	36.0	1.2	1.8
2003 I	-	-	-	-	-	-	-	-	-	-	-	-
II	6	53.4	12.5	1.0	-	-	-	-	6	53.4	12.5	1.0
Transportation												
2000	14	37.8	41.1	2.7	5	34.3	53.6	2.2	19	35.8	94.7	2.4
2001	26	36.7	36.8	2.7	3	46.8	4.9	3.3	29	37.9	41.7	2.8
2002	10	31.8	26.2	2.9	2	37.7	3.5	3.0	12	32.5	29.7	2.9
2002 III	1	36.0	1.1	5.4	-	-	-	-	1	36.0	1.1	5.4
IV	3	23.5	9.8	3.2	-	-	-	-	3	23.5	9.8	3.2
2003 I	5	45.1	7.6	2.7	2	36.0	1.5	1.5	7	43.6	9.1	2.5
II	4	37.8	30.5	-0.3	1	48.0	6.6	2.9	5	39.6	37.1	0.3

Agmts. - Number of Agreements
Dur. - Average Agreement Duration
Empls. - Number of Employees
Avg. Adj. - Average Annual Adjustment (%)

Table 4 (continued)

Effective Wage Adjustment in Base Rates, by Major Industry Division, with and without COLA, by year and Quarter

	Non-COLA Agreements				COLA Agreements				All Agreements			
	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.
	(Months)	(Months)	(000's)	(%)	(Months)	(Months)	(000's)	(%)	(Months)	(Months)	(000's)	(%)
Information and Culture												
2000	8	39.4	10.3	2.9	-	-	-	-	8	39.4	10.3	2.9
2001	6	34.5	8.9	3.2	1	60.0	1.1	3.2	7	37.4	10.1	3.2
2002	8	34.5	22.3	3.1	1	36.0	0.9	1.8	9	34.6	23.2	3.0
2002 III	4	31.9	7.1	3.0	-	-	-	-	4	31.9	7.1	3.0
IV	-	-	-	-	-	-	-	-	-	-	-	-
2003 I	2	34.0	3.5	1.4	1	72.0	0.7	1.4	3	40.0	4.1	1.4
II	2	27.4	2.0	3.2	1	60.0	1.6	2.5	3	42.1	3.6	2.9
Finance and Professional Services												
2000	7	35.4	12.0	1.7	1	36.0	1.1	2.8	8	35.4	13.1	1.8
2001	13	37.0	15.6	2.2	-	-	-	-	13	37.0	15.6	2.2
2002	8	55.2	12.6	2.1	-	-	-	-	8	55.2	12.6	2.1
2002 III	2	59.0	8.7	1.9	-	-	-	-	2	59.0	8.7	1.9
IV	4	50.9	2.5	3.5	-	-	-	-	4	50.9	2.5	3.5
2003 I	-	-	-	-	1	36.0	1.2	2.7	1	36.0	1.2	2.7
II	1	36.0	0.7	3.0	-	-	-	-	1	36.0	0.7	3.0
Education, Health and Social Services												
2000	201	38.2	503.6	2.6	1	36.0	0.9	4.7	202	38.2	504.5	2.6
2001	165	28.6	303.4	3.5	5	36.8	101.3	3.4	170	30.7	404.7	3.5
2002	174	23.2	499.4	3.0	3	43.1	2.7	3.6	177	23.3	502.0	3.0
2002 III	25	29.3	56.7	3.4	1	36.0	1.0	5.5	26	29.4	57.7	3.4
IV	40	26.9	54.2	3.4	-	-	-	-	40	26.9	54.2	3.4
2003 I	51	28.0	68.6	2.9	-	-	-	-	51	28.0	68.6	2.9
II	83	24.2	118.7	3.5	-	-	-	-	83	24.2	118.7	3.5
Entertainment and Hospitality												
2000	6	46.2	7.7	3.0	-	-	-	-	6	46.2	7.7	3.0
2001	3	36.0	5.6	4.2	-	-	-	-	3	36.0	5.6	4.2
2002	12	44.3	10.7	2.4	1	36.0	0.6	2.7	13	43.9	11.3	2.4
2002 III	7	41.8	4.3	3.3	-	-	-	-	7	41.8	4.3	3.3
IV	2	43.6	1.5	2.2	-	-	-	-	2	43.6	1.5	2.2
2003 I	3	36.0	3.0	3.3	-	-	-	-	3	36.0	3.0	3.3
II	1	36.0	0.5	3.3	-	-	-	-	1	36.0	0.5	3.3
Public Administration												
2000	69	25.8	293.2	2.3	1	36.0	5.3	2.3	70	26.0	298.5	2.3
2001	56	32.5	204.0	3.1	6	36.0	36.5	3.3	62	33.1	240.6	3.1
2002	52	30.1	227.8	2.6	2	36.0	2.2	2.7	54	30.2	230.0	2.6
2002 III	16	32.6	35.3	2.7	-	-	-	-	16	32.6	35.3	2.7
IV	14	34.6	34.7	2.9	-	-	-	-	14	34.6	34.7	2.9
2003 I	6	31.9	5.8	2.7	-	-	-	-	6	31.9	5.8	2.7
II	7	34.2	27.7	3.0	3	54.1	5.5	1.8	10	37.5	33.2	2.8

Agmts. - Number of Agreements
Dur. - Average Agreement Duration
Empls. - Number of Employees
Avg. Adj. - Average Annual Adjustment (%)

Table 5

**Effective Wage Adjustment in Base Rates, Number of Agreements and Employees Covered,
by year and Quarter**

	2000	2001	2002	2002		2003	
				3	4	1	2
All Industries							
Wage Adjustment (%)	2.5	3.2	2.8	2.8	3.3	2.8	2.6
Number of Agreements	406	428	368	92	81	87	133
Number of Employees (000's)	1,081.3	992.6	988.0	187.4	137.4	107.7	239.4
Private Sector							
Wage Adjustment (%)	2.4	3.0	2.6	2.4	3.5	2.4	0.7
Number of Agreements	103	169	108	43	21	24	31
Number of Employees (000's)	163.3	300.7	213.5	83.1	47.7	26.5	58.6
Public Sector							
Wage Adjustment (%)	2.5	3.3	2.9	3.2	3.3	2.9	3.2
Number of Agreements	303	259	260	49	60	63	102
Number of Employees (000's)	918.0	691.9	774.5	104.2	89.6	81.2	180.9
Federal Administration							
Wage Adjustment (%)	2.1	3.0	2.9	2.8	3.4	-	2.4
Number of Agreements	18	17	11	4	2	-	1
Number of Employees (000's)	154.8	131.5	54.8	16.9	3.1	-	10.5
Federal Crown Corporations							
Wage Adjustment (%)	2.2	3.7	2.8	3.0	-	2.5	2.9
Number of Agreements	3	7	6	2	-	1	2
Number of Employees (000's)	46.6	9.1	8.9	3.6	-	1.8	8.0
Provincial Administration							
Wage Adjustment (%)	2.6	3.5	2.3	1.9	2.4	2.9	3.8
Number of Agreements	37	26	24	4	3	6	3
Number of Employees (000's)	114.4	86.2	135.9	8.4	3.8	9.7	8.4
Local Administration							
Wage Adjustment (%)	2.5	2.6	3.0	3.4	3.0	2.9	2.7
Number of Agreements	33	28	30	8	12	5	9
Number of Employees (000's)	69.2	38.3	61.4	10.4	29.6	5.8	17.7
Education, Health and Welfare							
Wage Adjustment (%)	2.6	3.5	3.0	3.4	3.5	2.9	3.4
Number of Agreements	200	168	178	28	39	50	82
Number of Employees (000's)	501.9	402.1	501.7	60.9	50.7	63.1	118.0
Public Utilities							
Wage Adjustment (%)	3.6	2.8	3.1	3.3	3.4	4.0	2.2
Number of Agreements	12	13	11	3	4	1	5
Number of Employees (000's)	31.0	24.7	11.8	4.1	2.6	0.8	18.3

Table 6

Selected Economic Indicators,
by Year and Quarter

	2000	2001	2002	2002-2003			
				3	4	1	2
Wage Settlements (%)	2.5	3.2	2.8	2.8	3.3	2.8	2.6
Public Sector (%)	2.5	3.3	2.9	3.2	3.3	2.9	3.2
Private Sector (%)	2.4	3.0	2.6	2.4	3.5	2.4	0.7
Agreements in Force	2.3	2.8	3.0	3.0	2.9	2.6	2.6
Public Sector (%)	2.2	2.9	3.1	3.1	3.1	2.6	2.7
Private Sector (%)	2.4	2.6	2.7	2.7	2.5	2.6	2.5
Consumer Price Index Per Cent Change ¹	2.7	2.6	2.2	2.3	3.8	4.5	2.8
GDP ² at Basic Prices ³ Per Cent Change ¹	4.7	1.4	3.1	3.5	4.0	3.2	1.6
Labour Productivity Growth (%)	1.9	0.8	1.0	1.3	0.1	-0.5	-0.7
Unit Labour Cost (%)	3.7	2.6	1.5	1.1	2.2	2.1	2.5
Unemployment Rate ³	6.8	7.2	7.7	7.6	7.6	7.4	7.7
Employment (000's) ³	14,910	15,077	15,412	15,481	15,604	15,689	15,706
Per Cent Change ¹	2.6	1.1	2.2	2.7	3.4	3.2	2.3
Average Weekly Earnings ³ Per Cent Change ¹	\$655.51 2.4	\$667.37 1.8	\$681.02 2.0	\$682.08 1.9	\$687.02 2.1	\$686.38 1.5	\$688.08 1.3
Average Hourly Earnings Per Cent Change ¹	\$16.48 2.8	\$16.78 1.8	\$17.08 1.8	\$17.05 1.4	\$17.02 0.1	\$17.04 -0.6	\$17.15 0.2

¹ Per cent change from the same period of the previous year.² GDP – Gross domestic product at factor cost (1992) prices.³ Seasonally adjusted data.

TECHNICAL NOTES

The information in this report is produced from collective agreement settlements in Canada which cover 500 or more employees in all industries. A few settlements are excluded where the basis of payment is on a piece/mileage rate basis.

The construction industry is excluded prior to 1983.

The Base Rate

The base rate is the lowest paid classification used for qualified employees in the bargaining unit. In most instances, the base rate is the rate of pay for an unskilled or semi-skilled classification of workers. However, this is not the case in contracts covering only skilled workers and professional employees.

As only the base rate in a contract is used, the resulting data on percentage change do not necessarily reflect the average wage change for all employees in the bargaining unit. For example, where an across-the-board increase is negotiated for all classifications in cents per hour (or other money terms), measurement on the base rate produces higher results than measurement on any higher rate, including the average rate. Where varying percentage or money increases are negotiated for different classifications, measurement on the base rate may produce results that are higher or lower than measurement on the average rate. Where an across-the-board increase is negotiated for all classifications in percentage terms, measurement on the base rate produces results identical to measurement on any other rate, including the average rate. It should be noted that information on the average rate for all employees in a bargaining unit is not available.

Effective Wage Increase

The effective wage increase is the increase in rates of pay including estimated **cost-of-living allowance (COLA)** payments. Estimates of the yield of COLA clauses are obtained by quantifying

the characteristics of these clauses in each agreement and applying a combination of actual Consumer Price Index (CPI) increases available to date plus a specified projected inflation rate for the remainder of the contract duration. In succeeding quarters, these estimates are revised using actual CPI values as they become available.

In the current report, an **inflation projection of 2.0 per cent** has been used when the actual rate is unknown. This figure is based on a rounded average of inflation forecasts and is intended for illustrative purposes only and does not constitute an official forecast by Human Resources Development Canada. The use of different inflation rate scenarios could result in varying settlement increases. The inflation projection used will be revised periodically to reflect prevailing economic conditions.

By including reasonable estimates of future payments under COLA clauses, the effective wage increase concept facilitates an accurate comparison of agreements with and without COLA and permits the aggregation of all agreements to yield an improved measure of wage settlements.

Public and Private Sectors

The principal unit of observation is the collective bargaining unit; however, the designation for inclusion in the public sector is by reference to characteristics of the employer with whom a bargaining unit negotiates. Reference to the employer characteristics makes the directives consistent with Statistics Canada's use of "institutional units" or "entities."

While the criteria relate to the classification of the public sector only, *the private sector is defined by exclusion.*

Public sector bargaining units negotiate wages or other working conditions with an employer who is part of, or an agent of, a government or a government business enterprise. The distinction between the two

is whether the activity engaged in is "non-commercial" (Government) or "commercial" (Government Business Enterprise).

Government (Non-Commercial)

The government component comprises all non-commercial entities controlled by governments and mainly financed out of general taxation or other public funds. These entities provide goods and/or services free or at non-market prices (not having a view to profit).

Sub-sectors of the government component are identified below:

(1) Federal Government

Collective bargaining in the federal government component is conducted under the *Public Service Staff Relations Act* (Parts 1 and 2), and the *Parliamentary Employment and Staff Relations Act*.

(2) Provincial and territorial governments

- (a) provincial and territorial government administration;
- (b) health, education and social services agencies or institutions:
 - (i) public hospitals,
 - (ii) provincial residential care facilities,
 - (iii) universities,
 - (iv) colleges, vocational and trade institutions,
 - (v) social services business enterprise,
 - (vi) provincial elementary and secondary schools.

(3) Local Government Administration

- (a) local government organizations such as: municipalities, boards, commissions;
- (b) school boards;
- (c) social services: establishments at the local level primarily engaged in providing basic domiciliary care only, such as homes for the aged, blind or senile, boarding houses for the aged, day nurseries, shelters, etc.

Government Business Enterprise (Commercial)

The commercial component of the public sector is divided into three broad sub-groupings, based on degree of governmental control, as follows:

(1) Direct Control

A commercial enterprise is directly controlled by a government if one of the following conditions is met:

- (a) a government holds more than 50 per cent of its voting equity, directly;
- (b) a government has irrevocable options or the right to acquire shares, or convertible debt or equity, exercisable at the discretion of that government.

(2) Effective Control

A commercial enterprise is effectively controlled by a government if one of the following conditions is met:

- (a) the government holds a significant voting ownership in a public enterprise, where "significant" is understood as:
 - (i) the holding is the largest block of voting equity; and
 - (ii) the holding exceeds 33.3 per cent of the voting equity; and
 - (iii) the block is larger than the combined percentage of the next two largest blocks;
- (b) the commercial enterprise declares that it is effectively controlled by a government;
- (c) there exists a method or variety of methods (e.g. significant voting ownership of the enterprise, technological agreements, supply controls or contracts, management contracts, interlocking directorships, etc.)

(3) Indirect Control

A business enterprise is indirectly controlled by a government if that government directly or effectively controls a government business enterprise, which in turn directly or effectively controls that enterprise.

COLLECTIVE BARGAINING RESULTS

for the First Six Months of 2003

*Michel Hébert and Manon Henry
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Labour Program, Human Resources Development Canada*

This document presents the collective bargaining results in Canada for the period January through June 2003. It provides statistics pertaining to major work stoppages as well as a review of wage adjustments found in the major settlements (500 or more employees).

Major Work Stoppages

Time not worked during major work stoppages (500 or more employees) in the first six months of 2003 amounted to 643,970 person-days or 0.04 per cent of total estimated working time (four days per 100,000 days worked).¹ If all work stoppages involving one employee or more are included, this rate climbs to 0.06 per cent.

Again this year, the majority of collective agreements (96.0 per cent) were concluded with no work stoppages. Indeed the number of person-days lost due to work stoppages has been relatively low and stable since 1991, as opposed to the two previous decades (see Graph A).

During the first six months of 2003, there were 19 major work stoppages involving 29,657 employees (643,970 person-days not worked).

Seven major work stoppages accounted for 90.0 per cent of person-days not worked (580,070 person-days not worked) during the first six months of 2003. The strike by 2,200 Videotron technical and administrative employees alone, which began in 2002, accounted for

173,800 person-days not worked, which amounts to 27.0 per cent of the January through June 2003 total.

Following are six other work stoppages:

- 2,000 Université de Montréal professors (110,000 person-days not worked);
- 850 Corporation des concessionnaires automobiles de la région de Québec service and maintenance employees (106,250 person-days not worked);
- 3,300 INCO Ltd. smelting and refinery employees (70,720 person-days not worked);
- 500 Noranda Inc. mine employees (45,500 person-days not worked);
- 3,900 Toronto Catholic District School Board teachers (43,200 person-days not worked);
- 1,800 University of British Columbia professors (30,600 person-days not worked).

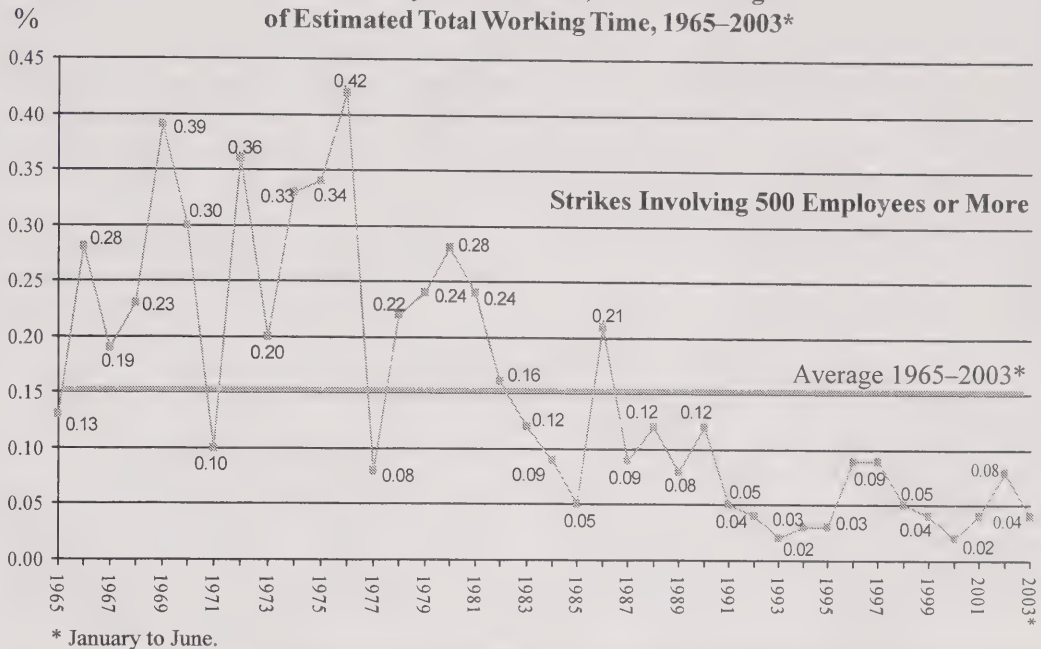
The private sector experienced 10 work stoppages involving 425,580 person-days not worked (66.1 per cent), while 218,390 person-days were not worked in 9 public sector work stoppages (33.9 per cent).

By jurisdiction, Quebec accounted for 7 major work stoppages for 70.4 per cent of person-days not worked in 2003 (453,500 person-days not worked). Ontario placed second with 7 work stoppages representing 21.6 per cent of

¹ The number of person-days not worked, as expressed in percentage of total estimated working time, corresponds to working time not worked because of major work stoppages (500 or more employees) divided by the total estimated working time, or to the number of days not worked per 10,000 days worked.

Chart A

Person-Days Not Worked, as a Percentage
of Estimated Total Working Time, 1965–2003*



* January to June.

Source: Workplace Information Directorate.

person-days not worked (139,350 person-days not worked). British Columbia, with 3 work stoppages, was third with 7.6 per cent of person-days not worked (49,160 person-days not worked).

The federal jurisdiction sector experienced 2 work stoppages which accounted for 175,100 person-days not worked.

In terms of person-days not worked, the education, health and social services sector was the most affected with 9 work stoppages representing 218 390 person-days not worked. The primary industries were second with one work stoppage that accounted for 210 590 person-days not worked.

Finally, a single work stoppage in the information and culture sector was third with 171 290 person-days not worked.

Wage Adjustments

The **220 major collective agreements** ratified in **2003** resulted in an average annual wage adjustment of **2.6 per cent** while the inflation rate for this same period was **3.7 per cent**. This is only the second time in the last six years that the average annual wage adjustment was less than the Consumer Price Index (CPI).

Public sector adjustments (**3.1 per cent**) exceeded those of the **private sector** (**1.2 per cent**). Although this was the fourth consecutive year that private sector wage adjustments fell below those in the public sector; over the period 1990 to 1999, private sector adjustments were higher.

This is the first time, that the wage gap in favour of the public sector is so large (1.9 percentage points). Indeed from 2000 to 2002, this gap never

exceeded 0.3 percentage points. Furthermore, since 1990, the public sector obtained annual adjustments lower than the inflation rate eight times while the private sector was five times.

The 165 **public sector** agreements covering 262,010 employees (75.5 per cent of employees) produced an average annual adjustment of **3.1 per cent**. By comparison, 85,060 **private sector** employees obtained an average annual adjustment of **1.2 per cent** for 55 agreements.

One third (34.7 per cent) of public sector employees (90,930) covered by the total 165 public sector agreements obtained an average annual wage adjustment equal to or exceeding 3.6 per cent. For 37.6 per cent of them, the average annual adjustment was 4.0 per cent or more. In the private sector, the proportion of employees who obtained an average annual wage adjustment equal to or exceeding 3.6 per cent was 5.3 per cent (4,510 employees).

During the first six months of 2003, 59.9 per cent of public sector employees (156,990) received an average annual wage adjustment of between 2.0 and 3.5 per cent compared with 36.9 per cent of private sector employees (31,370). It is interesting to note that for more than half of public sector employees included in this group (52.5 per cent), the average annual adjustment was between 3.0 and 3.5 per cent. By comparison, this proportion within the private sector was 24.2 per cent. Finally, 20.6 per cent of private sector employees and 4.0 per cent of public sector employees obtained average wage adjustments of between 0.1 and 1.9 per cent.

Over the first six months of 2003, wage freezes affected 13,660 employees (4 agreements), or 3.9 per cent of employees covered by 220 agreements.² In the private sector, 12.1 per cent of employees were affected by wage freezes while the corresponding proportion within the public sector was 1.3 per cent. Also, 74.4 per cent of employees who saw their wages frozen are private sector employees.

Among private sector employees subject to wage freezes, 7,060 were from Air Canada customer service, and 3,100 were Canada Safeway retail employees in Manitoba.³ In the public sector, wages were frozen for 3,500 University of British Columbia clerical and maintenance employees and teaching assistants.

The period January through June 2003 was the first time in which the proportion of private sector employees imposed wage rollbacks was so high. In fact, 21,470 employees, or 25.2 per cent of the private sector, and 6.2 per cent of all employees were imposed with wage rollbacks. This number is comprised of 13,630 maintenance employees and 7,840 flight attendants with Air Canada.

In fact, wage rollbacks imposed by Air Canada affect 2003 results in a major way. Were we to exclude these agreements, the average annual adjustment for the private sector would go from 1.2 per cent to 2.1 per cent. For all agreements, the average annual adjustment would be 2.9 per cent rather than 2.6 per cent.

² By comparison, only about 0.9 per cent of employees covered by an agreement reached in 2002 were imposed wage freezes, 0.8 per cent in 2001, 0.7 per cent in 2000, 3.3 per cent in 1999, 8.3 per cent in 1998, 18.6 per cent in 1997, 33.4 per cent in 1996, 23.3 per cent in 1995, 49.3 per cent in 1994, and 64.3 per cent in 1993.

³ It should be noted that two other agreements reached in Ontario and not included in the initial statistics called for wage freezes, they cover 1,170 Bombardier and 700 TRW Canada employees.

Table 1

Major Wage Settlements, 1990–2003*

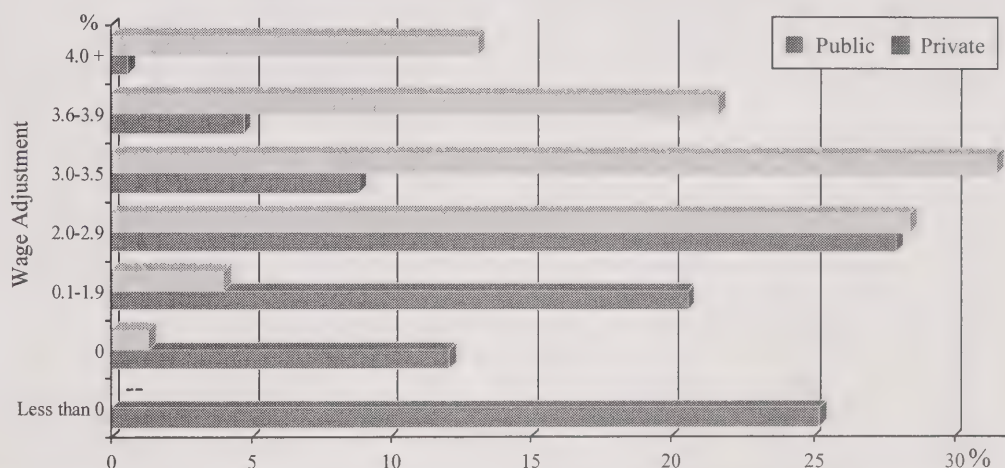
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003*
Wage Adjustments	5.6	3.6	2.1	0.7	0.3	0.9	0.9	1.5	1.7	2.2	2.5	3.2	2.8	2.6
Public Sector	5.6	3.4	2.0	0.6	0.0	0.6	0.5	1.1	1.6	2.0	2.5	3.3	2.9	3.1
Private Sector	5.7	4.4	2.6	0.8	1.2	1.4	1.7	1.8	1.8	2.7	2.4	3.0	2.6	1.2
Manufacturing	5.0	3.6	2.1	1.8	2.0	2.3	2.8	2.3	1.5	3.5	2.5	2.5	3.5	2.4
CPI (per cent change)	4.8	5.6	1.5	1.8	0.2	2.2	1.6	1.6	0.9	1.7	2.7	2.6	2.2	3.7

* January through June results.

Source: Workplace Information Directorate.

Chart B

Distribution of Employees by Size of Wage Adjustment for the First Six Months of 2003



Source: Workplace Information Directorate.

Wage Adjustments by Jurisdiction

In terms of the number of employees covered, **Ontario** and **Quebec** dominate with more than half of the employees covered (55.5 per cent) by agreements reached from January through June 2003. **Ontario** alone represents 42.6 per cent (147,950) of employees covered by the agreements settled.

Average annual wage adjustments for **Ontario** were of **3.4 per cent**. Within the public sector, 133,130 employees obtained adjustments of 3.5 per cent, while this number was 2.6 per cent

for 14,820 private sector employees. In **Quebec**, the average annual wage adjustment was of **2.2 per cent** for 44,790 employees, with an adjustment of 2.2 per cent for 35,010 public sector employees, and 2.6 per cent for 9,780 private sector employees.

For the total **Atlantic** Provinces, 17,900 employees obtained an average annual adjustment of **3.2 per cent**. In the public sector, 13,330 employees received an average annual adjustment of 3.2 per cent while 4,570 private sector

employees obtained an adjustment of 3.1 per cent. The **3.4 per cent** average annual adjustment given to 10,700 **Nova Scotia** employees obviously impacted heavily on data for the Atlantic. The average annual adjustments for this province's 10,000 public sector and 700 private sector employees were 3.4 per cent and 3.1 per cent respectively. However, it was in **Prince Edward Island** that gains were the highest, with **3.6 per cent** for approximately 640 private sector employees. In **Newfoundland and Labrador**, the average annual wage adjustment was of **3.0 per cent**, with 4.0 per cent for 870 public sector employees and 2.7 per cent for 2,500 private sector employees. **New Brunswick** had an average adjustment of **2.6 per cent** with 2,460 public sector employees obtaining 2.3 per cent and 730 private sector employees receiving 3.8 per cent.

For the three **Prairie Provinces**, the overall average annual wage adjustment was **2.7 per cent** for 48,250 employees. In the public sector, 34,060 employees obtained an adjustment of 3.3 per cent compared to 1.2 per cent for 14,190 private sector employees.

In **Alberta**, the average annual wage adjustment reached was **2.8 per cent** for 29,880 employees, primarily (69.0 per cent) in the public sector. Within this sector, 20,630 employees received an adjustment of 3.5 per cent compared to 1.4 per cent for the 9,250 private sector employees covered. In **Manitoba**, the adjustment was **2.5 per cent** for 16,240 employees, 77.8 per cent of who were from the public sector where 12,630 employees were given an adjustment of 3.1 per cent compared to 0.3 per cent for 3,610 private sector employees. In **Saskatchewan**, the average wage adjustment was **3.0 per cent** for 2,130 employees covered by two agreements. In this case, 800 public sector employees received an adjustment of 3.6 per cent while 1,330 private sector employees received 2.6 per cent.

Excluding the federal jurisdiction, which was influenced by the Air Canada agreements, 24,640 **British Columbia** employees obtained **2.0 per cent**, the lowest average annual wage adjustment this year as it was in 2002. The public sector's 23,590 employees received an adjustment of 2.0 per cent, while 1,050 private sector employees obtained an average adjustment of 2.2 per cent.

In the **Multiprovince** category, 1,410 private sector employees, and 690 **Yukon** public sector employees each obtained respectively an average adjustment of **2.2** and **2.5 per cent**.

In the **federal jurisdiction** sector, 61,440 employees (17.7 per cent of employees covered) obtained the lowest average annual wage adjustment at **1.0 per cent**. In this case, 22,200 public sector employees obtained an adjustment of 2.7 per cent compared to 0.1 per cent for some 39,240 private sector employees. The Air Canada wage freeze and wage rollbacks of the collective agreements for 28,530 employees obviously had a major impact on these results.

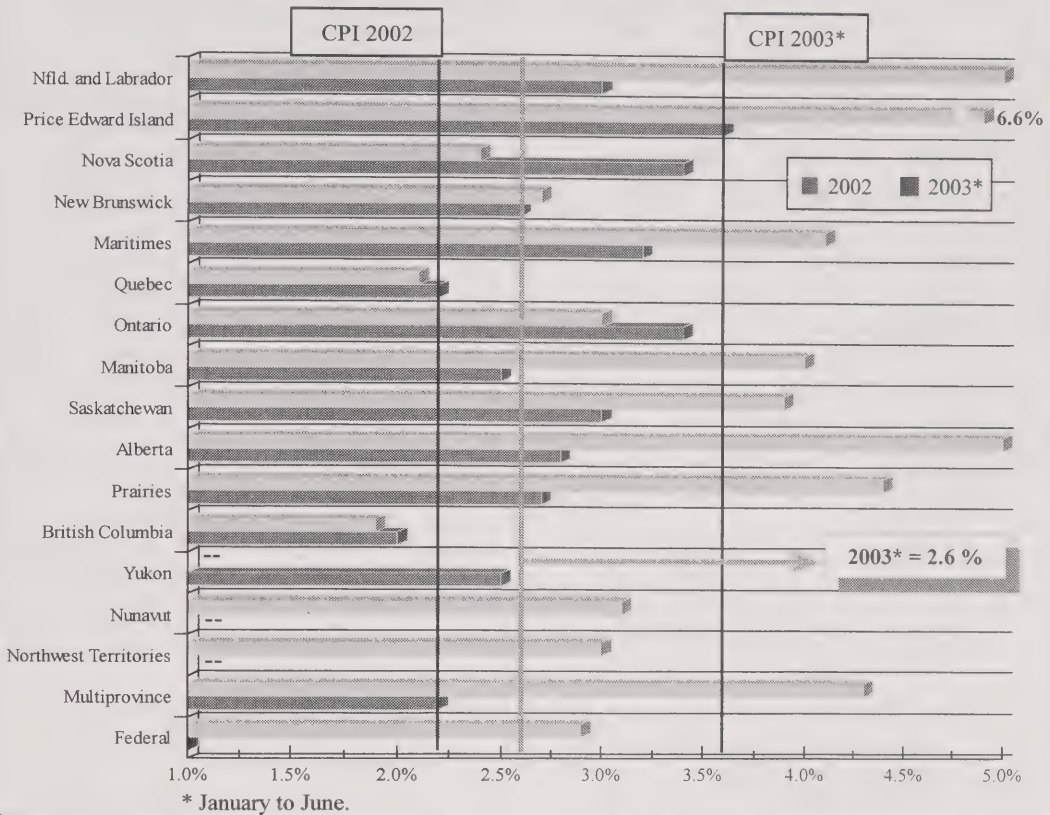
Table 2
Average Annual Wage Adjustment and
Number of Agreements by Region/Jurisdiction,
for the First Half of 2003

	Number of Agreements	Adjustments
Atlantic	8	3.2 %
Newfoundland and Labrador	2	3.0 %
Prince Edward Island	1	3.6 %
Nova Scotia	2	3.4 %
New Brunswick	3	2.6 %
Quebec	28	2.2 %
Ontario	110	3.4 %
Prairie Provinces	29	2.7 %
Manitoba	6	2.5 %
Saskatchewan	2	3.0 %
Alberta	21	2.8 %
British Columbia	26	2.0 %
Yukon	1	2.5 %
Multiprovince	2	2.2 %
Federal	16	1.0 %
Total	220	2.6 %

Source: Workplace Information Directorate.

Chart C

Wage Adjustments by Jurisdiction in 2002 and 2003*



Source: Workplace Information Directorate.

Wage Adjustments by Industry

More than half of all employees covered (54.0 per cent) are from the **education, health, and social services** sector where 187,260 employees obtained an average annual wage adjustment of **3.3 per cent**. In terms of employees covered, this sector is followed by the **transportation** sector where the average wage adjustment reached **0.7 per cent** for some 46,220 employees. Once again, agreements reached at Air Canada had a major influence on this sector's adjustment rates. Along with the **public administration** sector, where 39,020 employees obtained an average wage

Table 3

Average Annual Wage Adjustments and Number of Agreements, by Major Industry, For the First Half of 2003

	Number of Agreements	Adjustments
Education, Health and Social Services	134	3.3 %
Entertainment and Hospitality	4	3.3 %
Public Administration	16	2.8 %
Finance and Prof. Services	2	2.8 %
Primary Industries	2	2.7 %
Manufacturing	26	2.4 %
Utilities	10	2.4 %
Construction	2	2.4 %
Information and Culture	6	2.1 %
Wholesale and Retail Trade	6	1.0 %
Transportation	12	0.7 %
All Industries	220	2.6 %

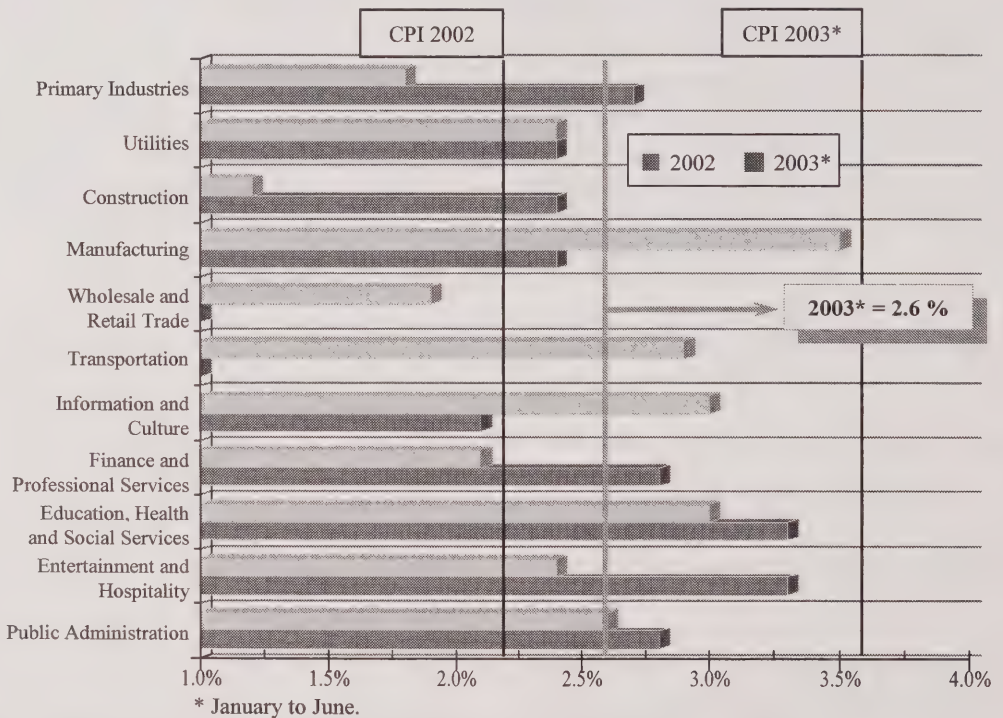
Source: Workplace Information Directorate.

adjustment of **2.8 per cent**, these three sectors represent fully 78.5 per cent of all employees covered by agreements reached to date in 2003.

Once again in terms of numbers of employees covered, the **manufacturing** (24,420 employees) and **utilities** (22,020 employees) sectors, each received an adjustment of **2.4 per cent**, the **wholesale and retail trade** sector's 12,490 employees obtained an average adjustment of **1.0 per cent**, and in the **information and culture** sector, 7,670 employees received an average annual wage adjustment of **2.1 per cent**.

The **entertainment and hospitality** sector's 3,530 employees received an average annual wage adjustment of **3.3 per cent**, the **finance and professional services** sector, with 1,920 employees received a **2.8 per cent** adjustment, the **primary industries** sector, with 1,410 employees benefited from a **2.7 per cent** adjustment, and the **construction** sector, with 1,110 employees received a **2.4 per cent** adjustment.

Chart D
Wage Adjustments by Industry in 2002 and 2003*



Source: Workplace Information Directorate.

WORK STOPPAGES

Workplace Information Directorate
Labour Program, Human Resources Development Canada

Second Quarter of 2003 (500 or More Employees)

There were 12 work stoppages involving 500 or more employees during the second quarter of 2003 in Canada. Five work stoppages accounted for 88 per cent of the person-days not worked. The strike involving INCO Ltd. in Ontario and United Steelworkers of America covered 70,720 person-days not worked which represents 22 per cent. A second work stoppage between Université de Montréal and Canadian Union of Public Employees involving 2,000 employees covered 66,000 person-days not worked, which represents 21 per cent. In Quebec, the work stoppage of 850 employees of la Corporation des concessions d'automobiles de

la région de Québec represented 52,700 person-days not worked and accounted approximately 17 per cent of the total of person-days not worked. The work stoppage between Vidéotron ltée. and Canadian Union of Public Employees involving 2,200 employees represented 48,400 person-days not worked, while the work stoppage between Toronto Catholic District School Board and Ontario English Catholic Teachers' Association involving 3,900 employees represented 43,200 person-days not worked. Those two strikes represented approximately 29 per cent of the total person-days not worked.

Table 1

Major Work Stoppages by Jurisdiction,
Second Quarter 2003

Jurisdiction	Stoppages	Employees Involved	Person-Days Not Worked
Newfoundland and Labrador	-	-	-
Prince Edward Island	-	-	-
Nova Scotia	-	-	-
New Brunswick	-	-	-
Quebec	6	5,800	150,650
Ontario	3	7,787	118,260
Manitoba	1	660	660
Saskatchewan	-	-	-
Alberta	-	-	-
British Columbia	1	750	1,780
Territories	-	-	-
Multiprovince	-	-	-
Total Provinces	11	14,997	271,350
Canada Labour Code-Part I	1	2,200	48,400
Federal Administration	-	-	-
Federal Total	1	2,200	48,400
Total	12	17,197	319,750

Source: Workplace Information Directorate.

Table 2

Major Work Stoppages by Industry,
Second Quarter 2003

Industries	Stoppages	Employees Involved	Person-Days Not Worked
Primary Industries	1	3,319	70,720
Utilities	-	-	-
Construction	-	-	-
Manufacturing	3	2,110	23,210
Wholesale and Retail Trade	1	850	52,700
Transportation	-	-	-
Information and Culture	1	2,200	48,400
Finance and Professional Services	-	-	-
Education, Health and Social Services	6	8,718	124,720
Entertainment and Hospitality	-	-	-
Public Administration	-	-	-
Various Industries	-	-	-
Total	12	17,197	319,750

Source: Workplace Information Directorate.

First Quarter of 2003 (One or More Employees)

Table 3

All Work Stoppages by Jurisdiction, First Quarter 2003

Cumulative to March 31, 2003

Jurisdiction	Stoppages	Employees Involved	Person-Days Not Worked
Newfoundland and Labrador	1	33	1,153
Prince Edward Island	1	5	320
Nova Scotia	-	-	-
New Brunswick	-	-	-
Quebec	35	6,225	179,900
Ontario	38	10,294	103,910
Manitoba	2	453	9,210
Saskatchewan	1	65	320
Alberta	1	27	30
British Columbia	4	4,096	52,120
Territories	-	-	-
Multiprovince	-	-	-
Total Provinces	83	21,198	346,963
Canada Labour Code-Part I	10	4,630	132,990
Federal Administration	1	35	70
Federal Total	11	4,665	133,060
Total	94	25,863	480,023

Source: Workplace Information Directorate.

Table 4

All Work Stoppages by Industry, First Quarter 2003

Cumulative to March 31, 2003

Industries	Stoppages	Employees Involved	Person-Days Not Worked
Primary Industries	3	576	19,400
Utilities	-	-	-
Construction	-	-	-
Manufacturing	37	5,794	143,800
Wholesale and Retail Trade	9	2,076	66,700
Transportation	9	2,498	6,690
Information and Culture	7	2,362	130,150
Finance and Professional Services	1	56	1,420
Education, Health and Social Services	15	10,757	99,670
Entertainment and Hospitality	6	1,423	9,230
Public Administration	7	321	2,963
Various Industries	-	-	-
Total	94	25,863	480,023

Source: Workplace Information Directorate.

A weekly listing of major work stoppages in Canada and a full chronological perspective are available on the Workplace Information Directorate Website at:

<http://labour-travail.hrdc-drhc.gc.ca/doc/wid-dimt/eng/>

All Work Stoppages

Table 5
A Chronological Perspective of all Work Stoppages

Period	Number Beginning Month or Year	In Existence During Year or Month*			Percentage of Estimated Working Time
		Total Number	Employees Involved	Person-days Not Worked	
1993	323	381	101,784	1,516,640	0.05
1994	312	374	80,856	1,606,580	0.06
1995	282	328	149,159	1,583,070	0.05
1996	297	330	281,438	3,351,240	0.11
1997	229	284	257,664	3,610,210	0.12
1998	341	381	244,402	2,443,870	0.08
1999	358	413	158,415	2,442,580	0.08
2000	321	379	143,456	1,656,790	0.05
2001	324	381	220,529	2,204,110	0.07
2002	250	293	168,670	3,033,437	0.09
2002					
March	14	56	38,666	440,036	0.16
April	19	55	45,067	770,424	0.28
May	29	78	46,150	242,674	0.08
June	17	64	13,932	139,404	0.05
July	35	79	30,354	256,001	0.09
August	22	61	11,634	155,069	0.05
September	19	64	16,094	165,730	0.06
October	31	80	17,267	200,120	0.07
November	17	72	12,975	146,479	0.05
December	12	56	10,833	136,810	0.05
2003					
January	8	53	11,520	144,500	0.05
February	16	48	15,784	144,070	0.05
March	25	61	15,181	191,453	0.07

* Refers to work stoppages which began during the year or month as well as those carried over from the previous year or month.

Source: Workplace Information Directorate.

TECHNICAL NOTES

Data on work stoppages collected by the Workplace Information Directorate of the Labour Program of Human Resources Development Canada covers strikes and lockouts which amount to 10 or more person-days lost.

A strike is a concerted work stoppage by a group of employees which is done in order to bring about a change in an employer's position, and it occurs during the negotiating process. A legal strike is one that respects all the conditions mandated by law, most notably that the strike is taking place during negotiations. A lockout occurs when work is suspended by the employer or a group of employers in order to pressure employees to change their position, and a lockout must also occur during the negotiating process.

Developments leading to work stoppages are sometimes too complex to make it practicable to distinguish between strikes on the one hand and lockouts on the other.

The major characteristics of work stoppages on which information is gathered are:

Employer—Firm or firms employing the employees reported on strike or locked out.

Location—Location of the plant or premises at which the work stoppage occurred.

Industry—Industry of employer according to the North American Industry Classification System (1997).

Union—The workers' organization(s) directly involved or concerned in the dispute that led to work stoppage.

Workers Involved—The total number, or approximate total number, of employees reported on strike

or locked out, whether or not they all belonged to the union. Where the number of employees involved varied in the course of the stoppage, the maximum number is used in tabulating annual or other totals. (Where a stoppage commenced in a previous year, the maximum number during the whole stoppage is the number used). Monthly totals are similarly based on the highest figures but allowance is made for changes reported in stoppages extending over two or more months. The total number of employees shown may include the same employees more than once if they are involved in more than one work stoppage during the year (or other reference period). Employees indirectly affected, such as those laid off as a result of a work stoppage, are not included in the data on employees involved.

Starting Date—The day on which the work stoppage began.

Termination Date—The termination date is the day on which work was resumed. Some work stoppages are never formally settled, and this presents statistical difficulties. In such a case, the stoppage is usually considered terminated for statistical purposes, at the date by which it was established that two-thirds or more of the employees involved had either returned to work, or had found work with other employers; or the date by which it was reported that the operations affected by the work stoppage would not be resumed.

Duration—The duration of each stoppage is calculated in terms of working days, including the starting date and all subsequent normal working days up to the termination date. The days counted as working days are those on which the establishment involved would normally be in operation (five days per week).

Duration in Person-Days—Duration in working days multiplied by the number of employees involved. For work stoppages involving establish-

ments in which the number of weekly working days (see Duration above) exceeds the work week of individual employees, the duration in person-days is adjusted by the appropriate ratio. The data on duration of work stoppages in person-days are provided to facilitate comparisons of work stoppages in terms of a common denominator; they are not intended as a measure of the loss of production time to the economy. The expression "time loss" is occasionally used instead of "duration in person-days." The term most commonly used is person-days not worked due to the duration in person-days of all work stoppages in a year is also shown as a percentage of estimated working time based on estimates of the number of non-agricultural paid employees in Canada obtained from the *Labour Force Survey* of Statistics Canada.

Jurisdiction—Statistics on work stoppages are also classified according to jurisdiction. This is done on the basis of the government and those businesses covered by Part 1 of the *Canadian Labour Code* whose industrial relations statistics are applicable to the establishment involved in the dispute. (The tabulation of statistics on work stoppages by jurisdiction corresponds to a tabulation by province, except where the Federal jurisdiction is involved.)

The data reflect all work stoppages that have come to the notice of Workplace Information Directorate, and meet the criteria defined above, e.g. minimum person-days. The methods used to secure this information are believed to be adequate to preclude the possibility of major omissions.

Source: Workplace Information Directorate, Labour Program, Human Resources Development Canada.



UNION MEMBERSHIP IN CANADA—2003

Workplace Information Directorate

Labour Program, Human Resources Development Canada

Each year, the department carries out a survey of labour organizations in Canada with international and national unions either affiliated or unaffiliated to a central labour congress and having one or more members and labour organizations consisting of a single bargaining unit and having more than 50 members, but non affiliated with any other labour organizations.

Preliminary data indicate that union membership in January 2003 stood at 4,178,000. This figure represents an increase of 4,000 members compared to 2002, namely 4,174,000 members (see graph and Table 1). However, over the year 2002, non agricultural paid employment rose more rapidly by 323,000.

Consequently, the unionization rate or union density (union membership as a percentage of non agricultural paid employment) continued its marginal decline to 30.4 per cent.

The affiliated membership of the Canadian Labour Congress decreased by 5,690 from 3,037,395 in 2002 to 3,031,705 in 2003 and its share of total union membership decreased from 72.8 per cent in 2002 to 72.6 per cent in 2003.

Between 2002 and 2003, the unaffiliated national unions decreased from 12.2 per cent to 11.7 per cent, which represents a reduction of approximately 16,760 members.

**Union Membership, Non-Agricultural Paid Workers and the Civilian Labour Force
1990–2003**



* Statistics Canada, *The Labour Force Survey*, Labour Statistics Division.

Source: Workplace Information Directorate.

Table 1

Union Membership in Canada, 1990–2003

Year	Union Membership (000s)	Civilian Labour Force ¹ (000s)	Non Agricultural Paid Workers ¹ (000s)	Union Membership as a Percentage of Civilian Labour Force	Union Membership as a Percentage of Non Agricultural Paid Workers
1990	4,031	14,047	11,598	28.7	34.8
1991	4,068	14,241	11,679	28.6	34.8
1992	4,089	14,330	11,414	28.5	35.8
1993	4,071	14,362	11,303	28.3	36.0
1994	4,078	14,505	11,310	28.1	36.1
1995	4,003	14,627	11,526	27.4	34.7
1996	4,033	14,750	11,764	27.3	34.3
1997	4,074	14,900	11,802	27.3	34.5
1998	3,938	15,153	12,031	26.0	32.7
1999	4,010	15,418	12,295	26.0	32.6
2000	4,058	15,721	12,707	25.8	31.9
2001	4,111	15,999	13,146	25.7	31.3
2002	4,174	16,242	13,414	25.7	31.1
2003	4,178	16,690	13,737	25.0	30.4

Note: Labour Force and non agricultural paid employment data shown for each year are annual averages of the preceding year; data shown for union membership are as of *January* of the years shown and as reported by labour organizations.

¹ Statistics Canada, *The Labour Force Survey*, Labour Statistics Division.

Source: *Workplace Information Directorate*.

Table 2

Unions with Largest Membership, 2002–2003

	Membership (000s)	
	<u>2002</u>	<u>2003</u>
Canadian Union of Public Employees (CLC)	521.6	521.6
National Union of Public and General Employees (CLC)	325.0	325.0
National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada) (CLC)	238.0	268.0
United Food and Commercial Workers International Union (AFL-CIO/CLC)	220.8	220.0
United Steelworkers of America (AFL-CIO/CLC)	180.0	180.0
Communications, Energy and Paperworkers Union of Canada (CLC)	150.0	150.0
Public Service Alliance of Canada (CLC)	150.0	150.0
International Brotherhood of Teamsters (AFL-CIO/CLC)	102.0	110.0
Fédération de la santé et des services sociaux (CSN)	101.3	101.3
Fédération des syndicats de l'enseignement (CEQ)	67.6	81.2
Laborers' International Union of North America (AFL-CIO/CLC)	72.5	80.0
Service Employees International Union—Canada (AFL-CIO/CLC)	90.0	78.2
Elementary Teachers' Federation of Ontario (CLC)	63.5	62.8
Industrial Wood and Allied Workers of Canada (CLC)	42.5	55.0
International Brotherhood of Electrical Workers (AFL-CIO/CLC)	54.8	54.8
United Brotherhood of Carpenters and Joiners of America (AFL-CIO/CLC)	53.0	52.0
Ontario Secondary School Teachers' Federation (CLC)	48.4	50.4
Canadian Union of Postal Workers (CLC)	50.7	49.7
Ontario Nurses' Association (CLC)	45.0	48.0
British Columbia Teachers' Federation (Ind.)	52.6	46.1
Fédération des infirmières et infirmiers du Québec (Ind.)	45.5	44.5
Syndicat de la fonction publique du Québec (Ind.)	41.0	42.9
International Association of Machinists and Aerospace Workers (AFL-CIO/CLC)	44.0	42.0
United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada (AFL-CIO/CLC)	39.6	40.0
Fédération du commerce inc. (CSN)	38.0	40.0
Fédération des employées et employés de services publics inc. (CSN)	40.0	40.0
Professional Institute of the Public Service of Canada (Ind.)	41.8	38.0
International Union of Operating Engineers (AFL-CIO/CLC)	36.0	36.0
Alberta Teachers' Association (Ind.)	32.0	35.4
Ontario English Catholic Teachers' Association (CLC)	34.0	34.0
Office and Professional Employees International Union (AFL-CIO/CLC)	35.0	32.0
Hotel Employees and Restaurants Employees International Union (AFL-CIO/CLC)	28.5	30.0

Source: Workplace Information Directorate.

Table 3

Union Membership by Congress Affiliation, 2002–2003

Congress Affiliation	2002		2003	
	Membership	%	Membership	%
CLC	3,037,395	72.8	3,031,705	72.6
CLC only	1,865,995	44.7	1,917,855	45.9
AFL-CIO/CLC	1,171,400	28.1	1,113,850	26.7
CSN	272,600	6.5	279,150	6.7
CSQ	104,720	2.5	123,030	2.9
CSD	62,120	1.5	61,430	1.5
CCU	9,670	0.2	8,510	0.2
AFL-CIO only	24,540	0.6	27,830	0.7
Unaffiliated International Unions	1,050	0.0	1,500	0.0
Unaffiliated National Unions	507,430	12.2	490,670	11.7
Independent Local Organizations	154,475	3.7	154,630	3.7
Total	4,174,000	100.0	4,178,000	100.0

Note: Due to rounding sums may not always equal totals.

Source: Workplace Information Directorate.

Table 4

National and International Composition of Unions, 2002–2003

Type of Union	2002		2003	
	Number	%	Number	%
	Unions			
National	220	24.8	224	25.4
International	46	5.2	46	5.2
Other*	620	70.0	612	69.4
Total	886	100.0	882	100.0
	Membership (000s)			
National	2,772	66.4	2,830	67.7
International	1,197	28.7	1,143	27.3
Other*	205	4.9	205	5.0
Total	4,174	100.0	4,178	100.0

Note: Due to rounding, sums may not always equal totals.

* Includes directly chartered unions and independent local organizations (see Table 6).

Source: Workplace Information Directorate.

Table 5**International and National Unions by Size, 2002–2003**

Membership Range	International Unions		National Unions		Total	
	2002	2003	2002	2003	2002	2003
	Unions					
Under 999	7	8	72	78	79	86
1,000 – 9,999	17	17	104	99	121	116
10,000 – 29,999	11	10	22	22	33	32
30,000 – 49,999	4	5	11	11	15	16
50,000 – 99,999	4	3	5	7	9	10
100,000 and over	3	6	7	9	10	
Total	46	46	220	224	266	270
	Membership (000s)					
Under 999	2	3	30	33	32	36
1,000 – 9,999	70	72	365	336	435	408
10,000 – 29,999	198	165	372	369	570	534
30,000 – 49,999	155	180	445	449	600	629
50,000 – 99,999	270	213	299	419	569	632
100,000 and over	502	510	1,261	1,224	1,763	1,734
Total	1,197	1,143	2,772	2,830	3,969	3,973

Note: Due to rounding, sums may not always equal totals.

Source: Workplace Information Directorate.

Table 6
Union Membership by Type of Union and Affiliation, 2003

Type and Affiliation	Unions	Locals	Membership	
			Number	%
International Unions	46	3,151	1,143,180	27.4
AFL-CIO/CLC	38	3,053	1,113,850	26.7
AFL-CIO only	4	82	27,830	0.7
Unaffiliated Unions	4	16	1,500	0.0
National Unions	224	13,085	2,830,070	67.7
CLC	65	7,440	1,917,280	45.9
CSN	12	2,453	279,150	6.7
CEQ	15	385	123,030	2.9
CCU	6	26	8,510	0.2
CSD	3	97	11,430	0.3
Unaffiliated Unions	119	2,684	490,670	11.7
Directly Chartered Unions	319	-	50,570	1.2
CSD	309	-	50,000	1.2
CLC	10	-	570	0.0
Independent Local Organizations	293	-	154,630	3.7
Total	884	16,236	4,178,000	100.0

Note: Due to rounding, sums may not always equal totals.

Source: Workplace Information Directorate.

Table 7
Canadian Labour Congress Membership by Affiliation, 2002-2003

Type and Affiliation	2002		2003	
	Membership	%	Membership	%
International Unions	1,171,400	38.6	1,113,850	36.7
AFL-CIO/CLC	1,171,400	38.6	1,113,850	36.7
CLC only	-	-	-	-
National Unions	1,865,995	61.4	1,917,855	63.3
CLC only	1,865,565	61.4	1,917,855	63.3
Directly Chartered Local Unions	430	0.0	570	0.0
Total	3,037,395	100.0	3,031,705	100.0

Note: Due to rounding, sums may not always equal totals.

Source: Workplace Information Directorate.

Structure and Affiliation Changes to International and National Unions

Memorial University of Newfoundland Faculty Association has joined National Union of Canadian Association of University Teachers in Fall 2002.

Carleton University Academic Staff Association has joined National Union of Canadian Association of University Teachers in Fall 2002.

Syndicat des salariés(es) Bertrand Degré inc. has joined Centrale des syndicats démocratiques in Summer 2003.

Name Changes—Old Name /New Name

Liberty Health/ HOOPP Employees Association/ Maritime Life Employees Association (July 2003).

Comité de relations de travail Bertrand Degré inc./ Syndicat des salariés(es) de Bertrand Degré inc. (July 2003).

New Unions in Part 1

Syndicat des employés(es) de RDS-CSN.

Syndicat des travailleurs et des travailleuses de l'hôpital Notre-Dame (CSN).

Directory of Labour Organizations in Canada

Visit the Labour Program Website at http://labour.hrdc-drhc.gc.ca/millieudetravail_workplace/, choose Directory of Labour Organizations in Canada to obtain information on labour organizations in Canada. The searchable database provides information such as the affiliation, membership, telephone and fax numbers as well as e-mail and Website address.

Directory of Labour Organizations in Canada

Please enter your search criteria below, partial names and acronyms are also allowed (all fields are optional):

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Affiliation:

Organization type:

Membership (size): From To
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City:

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Submit

Selected Provisions in Collective Agreements

Marie-Ève Bédard

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Labour Program, Human Resources Development Canada

Workplace Absenteeism

Introduction

According to Statistics Canada (2002), absenteeism refers to absences normally associated with personal reasons, and which are avoidable, regular, often unexpected, and represent a source of irritation for both employers and co-workers. These absences may have numerous consequences ranging from disruption of work schedules and production to increased costs.

Absenteeism is a problem that is difficult to quantify (Statistics Canada 2003). Indeed, it is hard to differentiate between avoidable and unavoidable absences because incidents of absenteeism are often disguised as legitimate absences.

This article will familiarize the reader with the absenteeism phenomenon, as well as with a variety of approaches used to tackle it. Excerpts from Canadian collective agreements aimed at controlling absenteeism are also presented.

According to the *Labour Force Survey* on which Statistics Canada based its analytical report entitled *Work Absence Rates, 1991 to 2001* (2002), there are 13 categories of causes of absences:

- own illness or disability;
- caring for children;
- caring for elderly relative;
- maternity leave;
- other personal or family responsibilities;
- vacation;

- labour dispute;
- temporary layoff due to economic reasons;
- statutory holidays;
- bad weather;
- job started/ended in week;
- working short time; and
- other.

Nonetheless, according to Le Corre et al. (2000), categories representing justifiable absences should not be included when calculating absenteeism. Thus leave granted by law may not be monitored, employers simply having to await the absent employee's return. These types of leave include, among others, vacation leave, statutory holidays, bereavement leave, maternity or parental leave, leave for the birth or adoption of a child, leave for the employee's wedding or that of a close relative, leave for family obligations, etc. Furthermore, absences due to jury or witness duty, to preventative withdrawal from work, to elected office, and to volunteer firefighter duty do not contribute to absenteeism.

According to the Statistics Canada report (2002), absences due to personal reasons (excluding maternity leave) and time lost as a result increased steadily from 1997 to 2001. In 2001, the proportion of employees with full-time employment who were absent from work for personal reasons for part or all of a week reached about 7 per cent, 1.5 percentage points higher than in 1997.

An increase may similarly be observed in the proportion of normal work time lost during a week as a result of absences, going from 3.0 per cent in 1997 (7.4 days) to 3.4 per cent (8.5 days) in 2001. In total, about 85.2 million workdays were lost due to personal reasons in 2001, a considerable increase compared to the 65.6 million days lost in 1997.

Moreover, Statistics Canada (2002) emphasizes that this very same upward trend may be observed with respect to illness or disability (from 6.2 days in 1997 to 7.0 days in 2001) and personal or family obligations (1.2 days in 1997 compared to 1.5 days in 2001).

The sectors that lost the most time due to the absence of full-time employees during 2001 were, in descending order, health and social services (12.8 days), public administration (10.1 days) and transportation and warehousing (10.0 days). The professional, scientific and technical services sector accounted for the fewest days lost (5.0 days).

While the national average for 2001 was about 8.5 workdays lost, employees from New Brunswick (10.1 days), Saskatchewan (10.0 days), and Nova Scotia and British Columbia (9.6 days) were those who lost the most, while Prince Edward Island and Ontario employees each totalled 7.6 days lost.

It is equally interesting to notice that for 2001, public sector employees lost three days more than their private sector counterparts, or 10.7 days compared to 7.9 days, and that unionized employees lost about twice the number of workdays than non-unionized employees. This gap is due in large part, however, to clauses pertaining to the right to sick leave present in virtually every Canadian collective agreement.

According to Renaud et al. (1999), factors explaining absenteeism may be categorized into five groups:

- socio-demographic factors (age, sex, marital status, number of dependants, education, health);
- organizational factors (industry, size of company, unionization, culture and social norms of colleagues, organizational practices, satisfaction with the organization, level of job autonomy);
- employment-related factors (job satisfaction, type of employment, work and vacation schedule, overtime);
- workplace factors (cyclical variations such as time of year, climate and unemployment level); and
- factors related to absence management policies (absence monitoring policies, sick leave management policies, and policies pertaining to remuneration during absences).

Furthermore, certain situations linked to absenteeism may justify the use of disciplinary and/or administrative measures on the part of the employer. These range from warnings and penalties to outright dismissal in cases of abuse or if the employee's behaviour does not change upon request. Le Corre et al. (2000) group employee misconduct into two distinct categories. The first includes tardiness, failure to inform or to advise of absences, submission of questionable medical certificates, absences with no authorization, prolonging of a break and leaving a station. If these incidences of misconduct are repeated, they are part of the second category, along with false pretences, false certificates, threats of calling in sick, failure to do overtime assigned on a voluntary basis, and failure to go for a medical exam without just cause.

The next section gives examples of various penalties and disciplinary measures contained in collective agreements with respect to absence management and the control of absenteeism.

Fraser Papers Inc. and Communications,
Energy and Paperworkers Union of Canada,
1998–2004, 0118096

Article 54 – Penalties for absenteeism

54.01 Should investigation of a case of absenteeism fail to disclose a bona fide reason, Management shall discipline the absentee as follows:

1. First case – instruction and warning.
2. Second case – instruction and up to three (3) days lay-off.
3. Third case – instruction and lay-off subject to discharge

54.02 It is understood that should an employee have a clear record for a twelve-month period between Steps "1" and "2" or Steps "2" and "3" or after Step "3", his record shall be considered clear.

Kenworthy of Canada and National
Automobile, Aerospace, Transportation
and General Workers Union of
Canada (CAW-Canada), 1998–2004, 1085301

[translation]

Section VIII – Discipline

8.01 The following absence monitoring program aims to limit absenteeism and tardiness. For the present article, two (2) late arrivals equal one (1) absence.

<u>Abs.</u>	<u>Period</u>	<u>Disciplinary Measure</u>
2	120 workdays	First written warning
2	120 following workdays	Second written warning
2	120 following workdays	Dismissal

8.02 a) When an employee has not been absent during a subsequent period of one hundred and twenty (120) workdays following a warning, the previous disciplinary measure is cancelled.

b) For purposes of paragraph 8.02 a), statutory holidays, vacations, acquired statutory holidays, authorized leave for external union activities, leave for work-related accidents or occupational illness, bereavement leave, or any other fully paid leave provided for by this agreement or by law are considered time worked.

8.03 The parties agree that employees may be required, subject to reasonable suspicion or industrial accident, to submit to alcohol and drug testing. Any employee whose test is positive is automatically suspended until the end of a drug or alcohol abuse treatment program as stipulated in Appendix C.

Upon return, the employee will be reinstated with no loss of seniority, and will be required to undergo random drug and alcohol testing for a period of twelve months following such return.

8.04 Any disciplinary action, except in cases of absences, recorded against an employee is automatically cancelled and expunged from the record after twelve (12) months and may not, in future, be used against the employee.

A more preventative approach, such as using recognition programs, bonus programs, lottery systems or partial pay-out of sick leave credits, may also be implemented by the employer to avoid emphasizing only unpopular measures.

It is important to note that management of absenteeism is an ongoing process involving interventions before, during and after an employee's absence. Further, many stages of intervention must be considered in order to devise an effective approach. Among other steps, it is necessary to ensure, during the recruitment phase, that employees have not had absenteeism problems in the past, and that they are aware of the importance of their presence. It is also essential that the various strategies developed are

consistent with the company's philosophy, which must value employees' attendance. This implies that the tools used to improve attendance (flexible scheduling, assistance program, etc.) must be available to employees. Nonetheless, often the most effective approach is simply reinforcing the notion that absence is bad and attendance is essential (Le Corre et al., 2000).

According to Kelly (1996), fair and effective attendance management programs are a way of maximizing employee attendance. Such programs are consistent with arbitrators' opinions, the law and human rights, while recognizing both the obligation of employees to maintain regular attendance and the employer's responsibility to create working conditions conducive to attendance. The implementation of such a program should include three phases: problem identification, correction of misconduct and absenteeism prevention.

Moreover, a study of the effect of certain absenteeism management policies conducted by Renaud et al. (1999) suggests that a policy involving the loss of sick leave, or the payment of total or partial unused sick leave pay, represents a more effective tool in the fight against absenteeism than a policy of accumulating unused leave.

Calmar Inc. and Bakery, Confectionery and Tobacco Workers International Union, Local 480, 1998-2002, 0049905

[translation]

Notwithstanding the payment provisions allowed for in clause 29.01, the employer shall, in December of each year, pay each employee an attendance bonus equal to 100 per cent of unused sick leave credits at the regular rate of pay.

Le Corre et al. (2000) underline that such management strategies represent expenditures for the employer. Consequently, employers should conduct

an assessment to determine whether they are feasible. Their costs must be lower than the overall direct expenses of absenteeism, which include the costs and training of replacement workers, slowing of production, and the quality of goods and services produced.

General Motors of Canada Limited and National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada), 2002-2005, 0191607

Doc. No. 54

Memorandum of Understanding Regarding Attendance

During these negotiations the parties discussed problems associated with absenteeism and agreed that high levels of absenteeism are harmful to the success of the business in terms of cost, quality and efficiency. In addition, unnecessary and unanticipated absences by a minority of employees create undue hardship on the majority of employees who attend work on a regular basis.

The parties recognize that the Company must accept sole responsibility for dealing with many aspects of the absenteeism problem. However, there are other aspects of the problem which could be addressed more effectively through jointly recommended initiatives. Such initiatives could include recommendations involving:

- Ergonomics;
- Rehabilitation of employees on long-term disability leave, or other personal medical conditions, and assistance in their return to productive employment;
- Location of suitable work for medically restricted employees.

Accordingly, the parties agreed to establish a Committee for Attendance Improvement. This Committee will have six (6) members; three to be appointed by the President National Union CAW, and three to be appointed by the Vice-President and General Director of Personnel, General Motors of Canada Limited. Among its responsibilities the Committee will:

1. Achieve understanding of those attendance issues which can be dealt with jointly, and those which should continue to be solely the responsibility of the Company; and communicate this understanding to the local parties.
2. Analyze attendance data and other information on an ongoing basis to determine

the underlying causes of absenteeism and recommend initiatives for improved attendance.

3. If the local parties decide, on their own, to develop joint attendance analysis or other initiatives, the Committee for Attendance Improvement will provide guidance and direction if requested.

Absenteeism in the workplace is not a marginal phenomenon, and it will continue to increase in the years to come because of the ageing population and the stress arising from work-family balance issues, among other causes. Now is the time for managers to determine the extent of the problem in their organization and to adopt approaches designed to minimize its negative effects.

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Innovative Workplace Practices

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This overview of workplace innovations is based on a review of 107 collective agreement settlements negotiated during the second quarter of 2003. Of these, slightly over one-half (58 settlements) contained provisions considered to be innovative or of particular interest.

Duration

The trend over the past year towards 36-month durations continues. Of the 107 settlements reviewed during the quarter, somewhat less than one-half (49 collective agreements) had a duration of around 36 months. Ten settlements had durations of 12 months. Twenty-three settlements had durations of 24 months while nine had durations of exactly 48 months. There were 16 settlements that had durations of 54 or more months. Of these, two had a duration of 84 months: Port of Saint John Employers Association, Inc., Saint John, New Brunswick and International Longshoremen's Association; and, Industries Ling inc., Warwick, Quebec and Association du personnel des Industries Ling inc.

Compensation

The innovative elements in compensation appear in 17 agreements. Two electric power utilities offer either a profit or gain sharing plan. Hydro-Québec, province-wide, and Syndicat professionnel des ingénieurs d'Hydro-Québec inc. provides the **profit-sharing** plan where an annual lump-sum payment may grant a maximum of 4.5 per cent of annual wages in 2004, 2005, and 2006. This amount is conditional on the company achieving its corporate and financial objectives. Specifically, 3.0 per cent will be based on corporate objectives being met and the other

1.5 per cent on company profits. Hydro One, province-wide, Ontario, and Canadian Union of Public Employees have a **gain sharing** plan which gives the employees the opportunity for financial reward from improved operational performance. A potential award of 4.0 per cent of base payroll is dependent on corporate performance criteria and business initiatives, each with productivity, safety and customer service targets. This company also offers an **employee share option** plan whereby an employee may purchase up to 5.0 per cent of their base salary in shares on an annual basis. Employees may pay for the shares up front, on an annual basis or through salary deductions. The employer will provide a matching plan of one share for each three shares purchased by the employee. The employer will also cover the cost of brokerage commissions, trustee fees and cost associated with payroll deduction.

Tembec Inc., Cranbrook, British Columbia and Pulp, Paper and Woodworkers of Canada have established a **pulp price trigger bonus**. The employer will make a payment of \$500 per employee to the local union for each calendar quarter that the RISI (Resource Information Systems Inc.) reported the NBSK (Northern Bleached Sulfite Kraft) price delivered to the Eastern United States averages over \$1,020 per metric tonne. The bonus will be used to establish a fund for the sole purpose of funding pension bridge benefits from age 60 to age 61. The first three quarterly payments will be directed for this purpose and subsequent payments will be used for the benefit of active or retired employees. Crown Packaging, Richmond, British Columbia and Communications, Energy and Paperworkers Union of Canada have a **newsprint**

price trigger bonus with the same employer payments and provisions for pension fund usage as the pulp and paper price trigger bonus mentioned above. The payment here will be based on the RISI Westcoast Benchmark Newsprint price per metre tonne averages over US\$600.

University College of the Fraser Valley Board, Abbotsford, British Columbia and their Faculty and Staff Association have provided **market adjustments** for the faculty with additional payments of \$396 and \$867 added to the maximum two steps of each level respectively. An **economic supplement** plan continues with Atlas Specialty Steels, Welland, Ontario, and Canadian Auto Workers. It provides quarterly bonuses based on hours worked and job level range from 0.299 cents per hour for Job Class 3 to 0.524 cents per hour for Job Class 33.

A **classification adjustment** was implemented by the City of Winnipeg, Manitoba and Canadian Union of Public Employees. Several trades' classifications will have their hourly wage increased by 2.56 per cent. Also, the employer will review the existing apprentice classifications and associated rates to replace them with criteria determining the appropriate number of steps for future positions and the salary rates for such steps relative to the existing minimum rates.

Regional Health Authorities of Manitoba, Community Support Services, province-wide, and Manitoba Government and General Employees' Union have initiated a **wage standardization fund** which will be used to address identified salary inequities. Effective April 1, 2003, an adjustment of 0.6 per cent is applied to all classifications; April 1, 2004, a further 1.0 per cent will be applied to all classifications. Further adjustments will be applied to the Home Care Attendant 2 and Proctor 1, 2, and 3 classifications on the following dates: April 1, 2003, 2.4 per cent; April 1, 2004 and 2005, 1.2 per cent; and April 1, 2006 and 2007, 1.6 per cent.

Two settlements have introduced distinctive incentive plans. P.W. Transportation Ltd., Mississauga, Ontario and P.W. Transportation Drivers' Association have established a **safety incentive** plan. Bus operators may earn up to \$600 per year in recognition of safe driving. Also, the employer and union will meet to develop an incentive program for the customer service representatives. Cara Operations Ltd., Vancouver International Airport, British Columbia and Hotel Employees and Restaurant Employees International Union have developed an **attendance incentive** plan. Full-time employees who demonstrate perfect attendance for a given quarter will receive a 50 per cent parking subsidy for the next calendar quarter. Lateness on five occasions in a quarter will not affect the attendance measurement.

Canadian Broadcasting Corporation, French Services Division, province-wide, Quebec and Moncton, New Brunswick and Syndicat des technicien(ne)s et artisan(e)s du réseau français de Radio-Canada have introduced a **job re-evaluation** provision whereby 1.0 per cent of the basic payroll will be allocated for the re-evaluation of all occupations.

Allied System (Canada) Company, province-wide, Ontario and Quebec and International Brotherhood of Teamsters have negotiated two **"Me-too" wage parity adjustments**. Wage rates in the first two years of the agreement will be adjusted by the same percentages in the first and second years of the next agreement to be negotiated between Allied Systems and Teamsters located in the United States.

Working Conditions

Crown Packaging, Richmond, British Columbia and Communications, Energy and Paperworkers Union of Canada have initiated **flexible work practices** with considerations of training, safety, proper tools for the job and skills required. The maintenance area

will use multi-skilled employees and have complete cooperation between all trades. These employees will receive an additional 95 cents per hour. The operations area will have operators assisting maintenance employees to troubleshoot problems. They will perform minor maintenance without the need of a tradesman and receive an additional 40 cents an hour. **Job flexibility** was also agreed to with Port of Saint John Employers Association, Saint John, New Brunswick and International Longshoremen's Association. Gear and mechanical repair employees will be flexible and perform work for which they are qualified and capable of doing during an assigned work period.

Within their work environment, Walker Exhausts, Cambridge, Ontario and United Steelworkers of America negotiated a "**Hot Weather Plan.**" When working conditions become uncomfortable, humidex readings will be taken in various locations within the plant. Should the reading reach 31°C in one or more locations, a 10-minute heat stress break will commence every hour; 34°C, 15 minutes; and 39°C, 20 minutes. In addition, cool beverages will be made available in all work areas, fans will be provided, and air-conditioned rest areas will be made available during heat stress breaks.

Expertech Network Installation Inc., province-wide, Quebec and Ontario, and Communications, Energy and Paperworkers Union of Canada have established **workplace diversity** by undertaking to take part in an employment equity project called "*Women in Non-traditional Jobs.*"

Noranda Inc., Gloucester and Restigouche Counties, New Brunswick and United Steelworkers of America have created a **labour pool** limited to 10 per cent of the bargaining unit. These employees will be used to supplement any shortage of employees within the plant. No labour pool employee will be used if bargaining unit members are on layoff.

The Office of the Auditor General of Canada, Canada-wide and Public Service of Canada have introduced measures to accommodate the employees' need to fulfil **religious obligations**. Employees may use annual leave, compensatory leave, leave without pay, or they can ask for paid leave that they will make up by the equivalent number of hours of work during the following six-month period.

Health and Welfare Benefits

Noranda Inc., Gloucester and Restigouche Counties, New Brunswick, and United Steelworkers of America have introduced an **insurance benefit** plan to cover the company's **seasonal shutdown**. Basic life, accidental death and dismemberment, and prescription drug insurance plans will continue. Although other plans will not apply during the layoff period, the employer will continue to provide emergency coverage, subject to the union's approval of the employees 20 per cent share of premiums. A new **flexible fringe benefit** plan has been negotiated between Expertech Network Installation, province-wide, Quebec and Ontario, and Communications, Energy and Paperworkers Union of Canada. Employees will be offered more options including the possibility of buying coverage for additional benefits. Tembec Inc., Cranbrook, British Columbia, and Pulp, Paper and Woodworkers of Canada have a provision for the use of **surplus payments** or increased employee contributions to improve benefits. The extra funds will be pooled separately in such a way that the additional benefits paid for by the employees do not impact on the present or future cost of the plan by the employer. DuPont Canada Inc., Maitland, Ontario and Communications, Energy and Paperworkers Union of Canada agree to meet to discuss the possibility of changing the way the **Long-Term Disability** plan is funded to make it a tax free benefit paid by the employees and convert the company premiums saved into flex dollars for the employees.

Job Security

In case of **plant closure**, Crown Packaging, Richmond, British Columbia and Communications, Energy and Paperworkers Union of Canada have established a severance package in a lump-sum payment equal to two weeks pay per year of service to a maximum of 52 weeks. Also, the employer will **not contract out** work which directly results in the layoff of bargaining unit members nor contract out work to do the job of employees on layoff or displaced employees working outside of their job category.

Groupe TVA Inc. and Canadian Union of Public Employees have agreed that the employer must notify the union at least six months prior to any proposed **technological change** or modification to the operations that is likely to involve moving employees. When employees must be moved, the employer will assess and develop a program to help the affected employees to upgrade or refresh their skills. Employees who refuse to be retrained may resign with a separation allowance equal to two weeks of wages per year of service up to a maximum of 26 weeks.

AlSCO Uniform and Linen Services Ltd., Vancouver and Nanaimo, British Columbia and Retail Wholesale Union have established a **return to work** provision. Employees who are on worker's compensation leave may return to work and be paid the same salary and benefits that they would receive on the claim. The employee will perform light duties that are agreed to by the return to work committee and the employee's doctor.

Funds and Allowances

The University College of the Fraser Valley Board, Abbotsford, British Columbia and the Faculty and Staff Association **expanded their professional development fund**. Non job-related courses are now paid to a maximum of \$400 per year while first-aid, non job-related language and computer

courses are covered with no annual limit. Also, after the professional development funds have been depleted, an amount of \$30,000 annually will be made available for tuition for Ph.D. or Masters Degrees for faculty employees and \$20,000 annually for staff upgrading courses.

Maple Leaf Foods Inc., Brantford, Ontario and United Food and Commercial Workers International Union have established a **leukemia** fund. The employer will deduct, during each month of May, an amount of \$10 from the employee's salary, subject to authorization of the employee. Such deductions will be matched by the employer and donated to the union's fund.

A flight personnel bonus continues between the Government of Canada, Canada-wide and Canadian Federal Pilots Association. A maximum of \$4,800 per year will be provided as a means of alleviating personnel **recruitment and retention** problems.

L'Université du Québec à Montréal, Quebec and Fédération nationale des enseignantes et des enseignants du Québec have initiated allowances for **participation in committee meetings**. An employee will receive \$35 per hour when attending the following committee meetings: a professional review of teaching qualifications, a review of decisions relating the automatic recognition of teaching qualifications, and a review of teaching assessments.

Training

Because leading edge office technology skills will become a selection criterion for the office group, l'Université de Montréal, Quebec and Canadian Union of Public Employees have introduced training for those employees who wish to **improve their work performance**. The training will be offered on weekends or in the evening and all costs will be covered by the employer. The effect of this training will be to enhance and foster the development of certain skills, make training more relevant, give

employees the opportunity to take charge of their career paths, and encourage them to invest in their own professional development.

The City of Winnipeg, Manitoba and Canadian Union of Public Employees have created a reserve of \$3 million for the purposes of **education, training and staff development** over the duration of the agreement.

A **training/retraining** provision has been introduced by Bombardier de Havilland Inc., Downsview, Ontario and Canadian Auto Workers for employees who have been laid off due to operational restructuring. They will receive a maximum of \$800. Also, office and technical employees who maintain their recall rights are eligible for a maximum of \$1,500 for retraining.

Atomic Energy of Canada Limited, Chalk River, Ontario and various construction unions have set up a **school expense** account for apprentices. An amount of \$125 per week will be made available to cover expenses such as tuition and room and board while apprentices attend courses at a trade school.

Cadbury Trebor Allan Inc., Toronto and Oakville, Ontario and United Food and Commercial Workers International Union have established a **training and education fund**. An amount of \$2,500 will be made available each year of the 36-month agreement. Also, the parties will meet to discuss job training options for **part-time employees** and the procedure for part-time employees to access full-time positions.

Labour-Management Committees

During this second quarter of 2003, 19 of the 53 agreements with innovative practices contained

provisions for establishing committees dealing with a wide variety of concerns.

Walker Exhausts, Cambridge, Ontario and United Steelworkers have introduced a committee regarding **modified work for disabled employees**. The committee will develop and maintain a safe and healthy return-to-work policy for the rehabilitation of temporarily and permanently disabled employees. The mandate of the committee will be to consider what work, including overtime, affected employees are able to perform.

A committee concerning **employment opportunities** has been established between Tembec Inc., Cranbrook, British Columbia and Pulp, Paper and Woodworkers of Canada. The committee will develop ways to enhance opportunities through new work arrangements, including reduced overtime and working time alternatives. The parties also implemented committees relating to **job evaluation** and **certified trades training**.

Crown Packaging, Richmond, British Columbia and Communications, Energy and Paperworkers Union of Canada introduced an **improvement leadership** committee. It will develop a strategy to improve safety, productivity, quality and working conditions within the plant. Representatives from both parties will attend training to develop relationship and problem-solving skills.

Other committees included in collective agreements discuss such items as work scheduling, production levels, health and welfare benefit costs, temporary employees' working conditions, and job evaluations.

Innovative Workplace Practices

Previously published articles and case studies from past issues of the Workplace Gazette, are available on the Workplace Information Directorate Website at

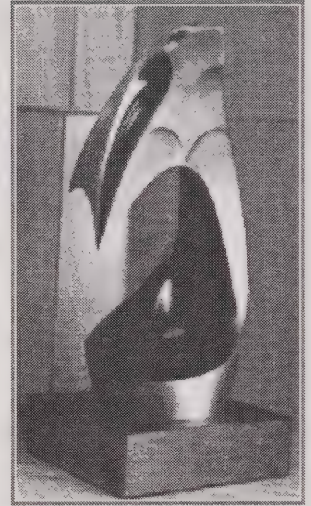
<http://labour.hrdc-drhc.gc.ca/>.

EMPLOYMENT EQUITY MERIT AWARDS—2003

Workplace Equity
Human Resources Development Canada

More companies than ever before are implementing policies and programs to enhance workplace culture. Increasing numbers of skilled workers in designated groups are being recruited and employed, thereby reflecting Canadian values of equity and diversity.

First enacted in 1986, the *Employment Equity Act* facilitates equality in the workplace by removing barriers to employment. It helps promote the inclusiveness of designated groups as well as the accommodation of differences. In 1990, the federal government formally began to recognize the achievement of companies implementing employment equity.



This year, numerous companies illustrated progressive employment equity practices. The vast majority of companies recognized for their efforts, including two co-winners, share important program qualities:

- Most have already been recognized during the past year as leaders in their industries for having excellent employment programs in place as well as the best practices for designated group recruitment and retention.
- These companies boast the full support of senior management as well as increased employee involvement in developing, monitoring, and updating employment policies that address equity, harassment, and accommodation.
- There has been increased consultation with community groups and resources have specifically targeted designated groups.

- They have developed an employment equity plan with objectives that exceed the minimum requirements under the *Employment Equity Act* and the Federal Contractors Program.

Employment equity is good for business, and Canada continues to strengthen its programs to tap the full potential of an increasingly diverse workforce.

The 2003 Employment Equity Awards were chosen by a jury composed of winners from the previous year and government representatives. The judges consider the quality of the programs in place and results achieved. There are two award categories: The **Vision Award** is presented in recognition of outstanding approaches to the implementation of equity, diversity, and inclusiveness in the workplace. The **Certificate of Merit** recognizes organizations for their sustained efforts towards attaining a representative workforce.

VISION AWARDS

IBM CANADA

IBM Canada, located in Markham, Ontario, specializes in technology and employs approximately 18,500 workers. A company with global reach and influence, IBM Canada serves Canadians through four divisions located across the country. The company states that it is "committed to building a workforce as broad and diverse as the customer base it serves."

Corporate Commitment

The Company recognizes that equity is an invaluable employee recruitment and retention tool. Over time, it has established a working atmosphere where unique traits, skills, and contributions are valued. Their policies reflect the longstanding commitment to building a diversified workforce and a workplace free from discrimination and harassment.

Employee Networks

IBM Canada has an active diversity council comprised of representatives from various business units and constituency groups. The council acts as a forum to discuss diversity-related issues.

Employees are also encouraged to form network groups. The purpose of these groups is to create a welcoming working environment characterized by respect, understanding, internal education, and outreach programs. This feedback has influenced corporate practices ranging from recruitment and training techniques to leadership and development programming.

Education and Career Development

Diversity presentations are given to all new employees with an emphasis on the importance of equity and a discrimination-free workplace. Additional training opportunities are available focusing on cultural differences, misconceptions, and stereotypes.

Employees are regularly invited to provide feedback on the diversity presentations, panel discussions, and career chats they attend. For those unable to participate, a diversity intranet and newsletter were launched in 2002 to provide education and highlight the importance of workplace equity.

The Canadian Women's Leadership Council was launched last year involving the participation of women executives and senior leaders to become active in the development of high-potential women in IBM Canada. This program mirrors the goals of a similar body created in 2002 to increase development of visible minorities.

Education beyond IBM

Education and development opportunities reach beyond the workplace with the help of various community programs. In 1997, the Women in Technology program was established to encourage young women to enter the technology field. Since then, over 600 IBM Canada volunteers have reached approximately 23,000 young women to dispel misconceptions preventing women from entering the technology field.

Summer camps and e-mentoring programs help deliver a variety of workshops through partnerships formed with community organizations. For the past five years, IBM Canada's visually impaired employees have mentored students at the Canadian National Institute for the Blind's Summer Camp to acquaint them with technology, resulting in a Certificate of Merit from the Institute in 2002 for its contribution to the program.

Other designated groups also benefit from IBM Canada's initiatives. The company's Black Network Group delivers technology workshops at community-based organizations with donated equipment to

assist with program delivery and training. Members of the Aboriginal workforce and native students also participate in company-sponsored workshops and outreach programs.

This company also accommodates same-sex commitment ceremonies in the "time off for employees being married" category.

Recruitment

IBM Canada actively targets designated groups, including participation at symposiums, career fairs, and outreach to student associations promoting the company's welcoming environment and policies. It also participates in and supports a program to help the transition of military personnel into the civilian workplace.

Also, with the goals of worker satisfaction and employee retention in mind, this company opened a child care centre in 2001 at its Markham location.

Conclusion

IBM Canada maintains its commitment to employment equity through its innovative programs and participation in education and recruitment initiatives. It has enjoyed corporate success and community recognition for its work, thereby reinforcing that commitment.

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PELMOREX INC.

Founded in 1989, Pelmorex Inc. provides Canadians with weather forecasts every hour of every day. Its principal products and services, The Weather Network and MétéoMédia, are delivered to eight million homes nation-wide. Based in Mississauga, Ontario, with an additional broadcast centre in Montréal, Pelmorex employs approximately 300 people including meteorologists, on-air presenters, production staff, corporate employees, and a national sales team.

Corporate Commitment

Pelmorex continuously demonstrates corporate values of teamwork and respect for all individuals. The company states that it "embraces employment equity as an integral component of corporate philosophy and culture, ensuring all employees are treated fairly, responsibly, and equitably."

Results from an employee survey conducted in 2002 indicate that 92 per cent of its workforce agreed that Pelmorex highly values equity in the workplace.

Education and Career Development

Pelmorex promotes equity in the workplace through educational training. Groups are invited to deliver culture awareness presentations with topics such as non-discriminatory interviewing techniques, integrating new employees into the workplace, and accommodation strategies.

Managers play an integral role in the diversity program. For example, they receive on-going training for issues affecting native and disabled groups. Their performance in promoting employment equity and diversity is tied to annual bonuses, which helps add value to management's participation.

Policies are reviewed regularly, with an employee survey in place to address key issues as they arise. Employees take part in annual one-on-one retention meetings to discuss issues such as job satisfaction, working conditions, and career goals.

The organization also has two diversity committees across occupational levels and groups to play an active role in helping communicate, implement, and monitor progress of the employment equity goals and policies.

Diversity Within

Pelmorex has initiatives in place to address the specific needs of several designated groups with a focus on hiring and retaining persons with disabilities.

Flexible work hours and job design, the provision of technical aids, and increased availability of materials in alternate formats offer increased support to workers. Correspondingly, accessibility and accommodation have improved with the installation of automatic doors.

Pelmorex, along with the help of the Canadian National Institute for the Blind and the Canadian Hearing Society, has raised awareness of, and sensitivity to, workplace challenges for persons with disabilities. These associations also worked with Pelmorex as it began to recruit persons with disabilities for employment and internships, and developed scholarship programs for disabled and native broadcasting students.

Diversity Beyond

The issue of diversity is not only reflected in the Pelmorex workforce—it is also revealed in the

content of its programming. Short reports like *"Winter and Guide Dog Training"* and the Native perspective on *"Indian Summer"* and *"Weather Folklore"* demonstrate this company's ability to go beyond the call of duty. Public service announcements and sponsored charity events also support these diverse community groups.

Recruitment

Over the past year, Pelmorex has been proactive in creating and implementing specific outreach measures to attract qualified Aboriginal peoples and persons with disabilities. It also works with approximately 25 associations in Ontario and Quebec to assist with the hiring process for these groups.

Conclusion

Attendance at special career fairs and job markets, along with on-going relationships with various organizations, is proving to be a successful means of attracting designated groups to join Pelmorex. Use of the Workopolis/CNIB web site to hire blind or visually-impaired workers is also contributing to the success of Pelmorex's recruitment program.

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Workplace Gazette, Vol. 6, No. 3

CERTIFICATES OF MERIT

SHELL CANADA LIMITED

Headquartered in Calgary, Alberta, this organization is one of the largest integrated petroleum companies in Canada. It is a major producer of natural gas, natural gas liquids and bitumen, and is the country's largest producer of sulphur. With almost 4,000 employees, Shell Canada serves clients spanning from Nova Scotia to British Columbia.

It has been identified as a best practice company for its efforts in creating a respectful workplace for employees.

Corporate Commitment and Accountability

Shell Canada provides diversity awareness training to all employees, including management, and has implemented an Ombuds office to facilitate fair and equitable resolution of workplace issues.

In 2001, the company completed a review of their progress related to diversity and implemented various initiatives, including hiring a full-time diversity advisor and developing a diversity gap analysis to help identify priority areas of action.

Openness and Fairness

The Company offers a disability management program to assist ill or injured employees. In addition, they have an open job posting system and recruiters are trained in workplace equity and diversity principles.

There are also open lunch diversity sessions made available to company employees on topics such as gender, gay/lesbian issues, and Aboriginal culture.

Aboriginal Recruitment and Retention

Shell Canada is steadily involved in the recruitment and retention of Aboriginal employees. The organization participates in aboriginal community outreach programs, funds educational initiatives, and offers scholarships through the National Aboriginal Achievement Foundation.

Conclusion

This company continues its diligent work towards enhancing its equity programs. Its improvements in this area, and in the active recruitment of Aboriginal employees, have earned Shell Canada popular acknowledgement.

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YANKE GROUP OF COMPANIES

Headquartered in Saskatoon, Saskatchewan, the Yanke Group of Companies provides North American transportation solutions across central and western Canada. Since its inception in 1980, the Company has grown from a two-truck operation to one that supports a fleet of more than 40,000 trucks and employs approximately 500 people.

Recent Progress

For the year 2002, Yanke has continued its efforts to uphold equity in its hiring and promotional practices. In order to further the recruitment of persons with disabilities and Aboriginal peoples, the Company has secured partnerships with many community organizations to facilitate the hiring of persons within these designated groups.

Yanke has also established a number of benchmarks to indicate the progress of employment equity. These benchmarks are

reviewed quarterly to help identify and remove barriers. An annual review of job descriptions and other employment policies, as well as an employee survey, also helps to further their equity progress.

Education and Career Development

Yanke strives to encourage education and personal growth for employees, and a significant portion of their annual budget is allocated to training. To help foster diversity, all corporate training plans contain provisions to encourage cross-cultural and employment equity awareness.

Recruitment

By targeting schools, organizations, and community associations that represent the designated groups, Yanke has shown great success in hiring practices and retention. For example, initiatives such as participation in Aboriginal youth symposiums and attend-

ance at local native career fairs have helped increase the number of Aboriginal employees.

The Company is also an active member of the Federation of Saskatchewan Indian Nations Corporate Circle and Employer's Circle and has sponsored Canada's First Aboriginal Inclusion Network to increase both training and employment opportunities for Aboriginals.

Conclusion

Yanke has been well-recognized for its strong employment equity practices and it continues to reach beyond the requirements of the law in an effort to achieve a diverse workplace.

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UNIVERSITY OF BRITISH COLUMBIA

The University of British Columbia, located in Vancouver, employs 9,000 people and is home to more than 40,000 students. The University is recognized internationally for its excellence in learning and advanced research, as well as numerous innovative academic programs.

Commitment and Accountability

The University has developed an employment equity plan which outlines four key objectives, including monitoring and accountability mechanisms to evaluate and adjust the plan as needed.

Retention questionnaires have been administered to retiring and resigning staff and a disability accommodation survey was distributed to staff to identify special workplace needs.

Disability Accommodation

Additional access ramps, elevators, and special equipment were

constructed after 150 faculty members indicated in the accommodation survey that they had some form of disability. Also, a Return to Work program provides faculty and staff with temporary or permanent modifications to work hours and/or duties in case of illness or injury.

Education and Awareness

Staff and students are educated on various diversity and equity issues on campus through orientation programs and campaigns like the White Ribbon campaign, which raises funds for the prevention of violence against women.

Workshops are offered to employees to ensure fairness during the interview process, to increase awareness of harassment in the workplace, and to provide teaching strategies and lesson aids to promote equity in the classroom. The Equity Office also provides workshops and presentations to

faculty, staff, and students on equity-related issues such as diversity, employment equity, and accommodation under human rights legislation.

Conclusion

The University of British Columbia has a well-developed and varied education and awareness program that reaches beyond its own workforce. Since 1996, the proportions of women, Aboriginals, visible minorities, and persons with disabilities have all risen. Pay equity plans are also in place to ensure employees receive wages based on fair value. The university works continually to improve its reputation as a diverse and equitable learning facility.

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*Workplace Equity Operations Unit
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Website: www.hrdc-drhc.gc.ca

EMPLOYEE ASSISTANCE PROGRAM

for the officers

of the Service de police de la Ville de Montréal

by DÉBORA DIAZ, ANNIE PAYANT,
SILVANA POZZEBON and SYLVIE ST-ONGE

École des Hautes Études commerciales
(HEC Montréal)



The Service de police de la Ville de Montréal was created in 1972. It resulted from the amalgamation of the various police forces of the 29 Montreal Island municipalities.

Today, with more than 4,000 employees, it is the second largest municipal force in Canada. Structured on a community-based model of policing that relies on neighbourhood stations, the force is supported by various institutional and community partners, as well as regular citizens.

The Service de police de la Ville de Montréal's mission is to promote the quality of life of all citizens on the city's territory, while respecting the rights and freedoms afforded citizens by both the Canadian and Quebec charters. More specifically, it seeks to reduce crime, improve road safety and create a peaceful and secure environment on its territory. To succeed in its mission and attain these objectives, the Service de police is guided by the following management principles:

- Excellence and continuous improvement of its relationship with citizens, of its service delivery, and of its management practices;
- Respect and recognition of employees, as well as the satisfaction of employee aspirations;
- Respect for the rights and freedoms of citizens;
- Respect for laws and regulations so as to inspire confidence and credibility among the population.

HISTORY,

MISSION,

VALUES

AND GOALS

— The authors wish to thank all who contributed to the production of this case, and more specifically Dr. Normand Martin, PhD, Section Chief of the Employee Assistance Program for the officers of the Service de police de la Ville de Montréal.

The authors also wish to thank the Centre de cas of HEC Montréal, the case bank where this case study is deposited, for its financial support. HEC Montréal is the management school affiliated with the Université de Montréal.

Working Conditions of Police Officers

Police officers are called upon to intervene daily in situations with the potential for violence. This violence may take various forms, including substance abuse, physical violence, physical and emotional neglect, destruction of private property, domestic violence, cruelty to animals, sexual assaults, verbal and psychological abuse, intimidation, financial exploitation, harassment, gratuitous crimes and murder. Even though police officers are trained for this kind of work, daily exposure to violence puts their psychological health at risk.

Other characteristics of police work can also have a negative impact on officers' psychological well-being.

Police officers must accept and exercise the authority vested in their position, even when faced with a lack of recognition or respect for the work they perform. They must occasionally work alone or in isolated areas. They often have irregular schedules, for example when they are involved in fraud or drug smuggling cases. Additionally,

officers must deal with many changes in their day-to-day working lives—a new partner, a transfer to an unfamiliar neighbourhood, or the absence of colleagues killed or wounded in the line of duty—all this in an environment known for its tightly-knit work relationships.

Demanding working conditions, irregular hours and the lack of "downtime" can take a toll on officers' personal and family lives. Taken together these many stressors may affect an officer's performance and health, which can, in turn, increase management expenses related to higher absenteeism and turnover, decreased productivity, accident insurance premiums and medical costs.

Though police officers are trained, daily exposure to violence puts their psychological health at risk.

Finally, beneath the uniform, a police officer is a human being with his or her

own values, emotions and expectations. The particular demands of the job and difficult working conditions can result in anguish and emotional responses that may lead to aggressiveness, stress, anxiety, depression, etc. The numerous

stressors inherent in police work are a special cause for worry since officers carry weapons, access to which can place an individual experiencing a personal crisis or in an emotionally fragile state at particular risk.

Employee Assistance Program¹ Origins

The management of the Service de police de la Ville de Montréal recognizes the stressful nature of its officers' work. Although it encourages them to express their opinions and share their professional experiences, the complex and intimate nature of certain emotions makes them difficult to express. This may explain why management decided to adopt an employee assistance program for its police officers during the 1980s.

The program recognizes that certain personal or professional problems may be harmful to the physical and psychological well-being of officers and, therefore, can hinder workplace performance and negatively affect the quality of services offered to citizens. At its beginnings, the employee

¹ The Employee Assistance Program for the Officers of the Service de police de la Ville de Montréal was awarded the prize for "Engagement & Action Prolongée – Équipe" during the Soirée de l'excellence held on May 23, 2003.

assistance program focused on reaching employees with serious behaviour, alcohol and drug abuse problems at work. Supervisors referred these employees to the program for a psychological assessment. But, because it violated the confidentiality of the process, such supervisor intervention proved detrimental to the reputation of the program. Consequently, at the time, few police officers trusted those responsible for the program and it was rarely used on a voluntary basis.

Preoccupied with the obvious failure of the program, management, in collaboration with the union, the Fraternité des policiers et policières, decided to set up a joint committee to propose and implement measures that would better align the program with the needs of both employees and management. In March 1990, the joint committee established the new Employee Assistance Program which is still in place today. This program offers counselling, information, evaluation and referral services without imposing medical conditions and with complete respect for confidentiality and anonymity of clients. Use of the program no longer poses a risk to officers' promotion opportunities, employment security or reputation.

Nature of Services

The Employee Assistance Program is available to police officers of the Service de police de la Ville de Montréal, regardless of hierarchical status, and up to one year after retirement. Members of officers' immediate families are also eligible.

The program is based on the principles of autonomy and responsibility; officers consult the program on a voluntary basis. The services offered by the Employee Assistance Program can be grouped into six broad categories:

- Psychological counselling;
- Crisis and post-traumatic intervention related to critical incidents;
- Assistance to managers dealing with employees experiencing difficulties;
- Awareness and information sessions for new police recruits;
- Training for newly promoted supervisors;
- Assistance to specialized intervention unit personnel.

The program also offers two related services: a suicide prevention and post-traumatic intervention program.

The suicide prevention program was implemented in 1995, when joint committee members agreed to adopt a proactive approach with the view of reducing suicides among officers to zero. The objective of this program, whose motto is *Together for Life*, is to raise employee awareness about suicide and the behaviour of officers in distress, so quick and appropriate intervention can be provided should the need arise. This service, conceived by Employee Assistance Program psychologists in collaboration with academic experts, is one of the first such initiatives in the world designed for police officers.

Within the framework of this program, prevention involves timely assistance in the form of listening, support and referral for police officers experiencing difficulties or faced with various problems (e.g. family, addiction, homosexuality, post-shootout issues). More specifically, the suicide prevention program includes four components:

- The first component involves meeting employees within their work units to raise awareness of suicide. These meetings allow the work

The program is based on the principles of autonomy and responsibility.

teams to reach an agreement on the kind of assistance to provide colleagues in distress.

- The second component offers training to commanding officers, supervisors, other managers and union representatives in preventive intervention techniques that can be used to assist officers in distress.
- The third component enables trained volunteer officers to help their colleagues by offering a telephone hotline service.
- The fourth component consists of efforts to raise employee awareness about the program.

The post-traumatic intervention program helps police officers and members of their families work through particularly traumatic events, such as the violent death of a fellow officer, a shootout or a serious accident. When such incidents occur, program psychologists are dispatched to the scene to offer active and direct listening services, as well as psychological debriefing sessions for team members and their families. These services were used, for example, during the 1998 ice storm and events surrounding Y2K.

Finally, it is worth mentioning that the Employee Assistance Program is a service offered free of charge that allows an unlimited number of consultations with in house psychologists. If an in house psychologist refers an officer to an outside specialist, the costs are split evenly between the Fraternité health insurance plan and the employer, to a maximum of \$1,000. Any amount above this ceiling is divided between the employee and the employer on a 50-50 basis.

Program Personnel and Administration

The police employee assistance plan personnel consists of three in house psychologists who provide counselling services, and a fourth psychologist who works part-time on the

suicide prevention component of the plan. Psychologists report to the manager in charge of the program

Employee Assistance Program staff members are trained and experienced clinical psychologists.

who has worked for the Service de police de la Ville de Montréal for 12 years. Although, on an administrative level, this manager reports to the Human Resources Department, his role and responsibilities are established by the joint committee of the Employee Assistance Program.

The Employee Assistance Program staff members are trained and experienced clinical psychologists, covered by a professional liability insurance contract. In addition to providing counselling services, they also train employees and conduct research to better understand the work of police officers. To attain the latter end, they have been known to accompany officers during missions. The Employee Assistance Program professionals have also prepared a list of competencies linked to "soft skills," which have been integrated into the competency-based management program adopted by the organization.

The Employee Assistance Program joint committee is composed of two representatives of the Fraternité and two employer representatives (one is a member of the Employee Assistance Program's Management Board and the other is Director of Human Resources). This committee is responsible for the program's orientation, its promotion, and its evaluation, as well as formulating recommendations aimed at optimizing results.

The Employee Assistance Program professionals may also be called upon to advise Human Resources and upper management regarding the

development of prevention or of health management policies or programs.

Communication and Training

Posters, information leaflets and articles in internal newsletters have always been used to promote the Employee Assistance Program. Information about the program has also recently been made available on the Internet (in French only) at <http://www.spcum.qc.ca/fr/sup_adm/ruptadmf.asp>. Between December 1997 and the beginning of this decade, a program counsellor met with all units to promote the suicide prevention component and raise staff awareness about suicide. However, according to the officer in charge, references and recommendations from co-workers who have used its services are the program's best marketing tool.

Supervisors have all been trained to identify, to interact with, and to provide distressed employees with information about the program. Training or information sessions are also offered to fresh recruits as well as to staff newly promoted to supervisory positions.

Program Accessibility and Case Management

The Service de police de la Ville de Montréal makes every

effort to protect the confidentiality of services provided as well as the anonymity of its users. Counsellors can be reached directly by phone during normal office hours (9 a.m. to 5 p.m.), and an emergency hotline is available 24 hours a day. Not only is the counselling service located far from any Service de police building, but the layout of the offices is designed to limit encounters between clients. Two closed waiting rooms are available for clients, and counselling offices are discretely situated. Furthermore, each client file is assigned to only one counsellor and strict file handling procedures are in effect to assure respect for confidentiality.

In the event a program evaluation exercise were to be conducted, all data

would be compiled in an aggregate fashion in order to preserve the anonymity of users.

The employer also seeks to ensure that interventions are offered quickly in order to limit the negative impact that problems can have on officers' professional and personal lives. Compared with the employee assistance programs of other businesses, that of the Service de police de la Ville de

Montréal is more flexible and allows employees to obtain the necessary help, regardless of how many counselling sessions are required.

Program Effectiveness: The Numbers are Telling !

The 1990 overhaul of the program resulted in a quintupling of the number of requests for assistance received from employees within one year. Managers are both more likely to recommend the program services to their employees and to seek counselling themselves. A recent survey indicated that 85 per cent of supervisors have referred at

least one of their employees to the program since its implementation. Today, 280 individuals, or approximately 6 per cent of

officers, use the program, for a total of about 2,000 counselling sessions per year.

Only one aspect of the program, the suicide prevention component, has been officially evaluated. Experts from the Université du Québec à Montréal conducted a study as part of the suicide action strategy developed by the Quebec government and financed by

85 per cent of supervisors have referred at least one of their employees to the program since its implementation.

the provincial health ministry. The study revealed that the program in place at the Service de Police de la Ville de Montréal has achieved its objectives of awareness-

raising and prevention. The number of deaths due to suicide among officers, which averaged two per year during the 1980s and one per year at the beginning of the 1990s,

has been reduced to zero over the last seven years, that is, since the implementation of the Together for Life prevention program.



Structure of the LIFE-LONG LEARNING SYSTEM

within the QUEBEC CONSTRUCTION INDUSTRY

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PARTNERSHIP and MUTUALIZATION

Introduction

The importance of developing life-long learning practices in the various sectors of the economy—and, on a more comprehensive level, within the Canadian economy as a whole—is no longer at issue. Much research has highlighted the relative importance of such practices in Canada by singling out, among other aspects, sectoral innovations, labour-management partnerships, and the establishment of links between labour market needs and education system resources. This research includes the DeGrandpré Report (1989), Employment and Immigration Canada's statement of principles (1989), and research conducted by the Canadian Labour Market and Productivity Centre (1990) and the Economic Council of Canada (1992). Meanwhile, the Government of Quebec passed, in 1995, a law geared to the development of life-long learning (*An Act to Foster the Development of Manpower Training*) and, more recently, its very first policy respecting adult education and life-long learning (Government of Quebec 2002). Although this body of work highlights the importance of innovation, it also stresses the sharing of practices and initiatives as a means of improving life-long learning features within the economy. It is in this context particularly that we present the experiences of the Quebec construction industry.

This industry contains certain organizational characteristics that have favoured the creation of an original life-long learning system. However, according to the literature on the subject, it is also based on a labour market that in many respects is fraught with the type of organizational difficulties that hinder the development of life-long learning. We will see how the principles of partnership and the mutualization—or pooling—of funds within the industry have neutralized those structural weaknesses which, without the initiatives that were implemented, would have held back the industry. Moreover, the life-long learning system has allowed for the establishment of a very efficient link between the Quebec construction industry's labour market needs and the availability of programs within the public education system. These innovations have come about chiefly over the last 15 years as a part of a gradual movement on the part of the main players who may not have known exactly how to achieve their aim but who shared a common goal: the development of life-long learning. The results obtained over recent years provide the impetus to attempt to gain a better understanding of this sector and to study the feasibility of "exporting" its principles to other sectors.

— The authors thank Patrice Jalette from the École de relations industrielles (Université de Montréal) and Jean-Luc Pilon from the Commission de la construction du Québec for their comments on a previous version of this paper.

Main Characteristics of the Quebec Construction Industry

The majority of construction work performed in Quebec is subject to one law in particular, the *Act Respecting Labour Relations, Vocational Training and Manpower Management in the Construction Industry* (also known as Bill R-20). Pursuant to this law, each construction worker must belong to one of the four recognized employee associations and each employer must be a member of one of four employer associations recognized by the *Act*. This representational structure ensures that working conditions of all workers in a sector are the result of collective bargaining and the negotiation of clauses common to all four sectors.¹ Moreover, a parity organization, financed through a 1.5 per cent levy on a particular sector's payroll, looks after the management of the labour relations system, employee benefits and employee training, and manages specific funds for the benefit of the industry (e.g. annual leave). This tripartite organization² is called the Commission de la construction du Québec.³

The combined sectors of the Quebec construction industry that are subject to the provisions of Bill R-20 accounted for 18,500 employers and nearly 100,000 workers in 2001. The Quebec construction industry stands out from most sectors of the economy, much as the

construction industry stands out ... by the specific characteristics of its activities and its labour market

construction industries do in the other provinces, by the specific characteristics of its activities and its labour market (Charest 2003). We will paint out here some of the specificities which may affect the issue of life-long learning.

First, this sector is affected by seasonal variations in activity.⁴ Thus for 2001, the monthly distribution of hours worked within the Quebec construction industry varied considerably. January (3.2 per cent of the annual total) and February (4.6 per cent) accounted for only a small proportion of hours worked during the year, while June (13.6 per cent) and September (12.1 per cent) were the busiest in this respect.⁵ Furthermore, this cyclical nature of the industry has a direct impact on the average number of hours worked per worker, which during 2001 was 903 hours for all sectors combined. However, 48 per cent of workers still managed to work more than 1,000 hours during the year, of which nearly one quarter worked more than 1,500 hours. With an average hourly wage of about \$27 (including vacation), the average annual salary is around \$25,000. Here again, though, one must take into account that a proportion (about one fifth) of workers manage to earn around \$45,000. The wage structure establishes a single rate for all certified journeymen for each of the

sector is affected by seasonal variations in activity

¹ The industry is subdivided into four subsectors or sectors: residential, institutional and commercial, industrial, and civil engineering and road work.

² The Commission de la construction du Québec Board of Management comprises 17 members: one president, six employer representatives, six labour representatives, three representatives from the Quebec department of Labour and one from the Quebec department of Education.

³ For a more in-depth analysis of the Quebec case as well as an international comparative analysis of the construction industry, see Charest (2003) and Bosch and Philips (2003).

⁴ We are ignoring, here, the variations of the business cycle, which are also part of the reality of the industry.

⁵ The source of these statistical data is the Commission de la construction du Québec 2002.

26 trades and lower rates for apprentices (apprenticeships vary from one to five 2,000-hour periods). In a way, it may be said that this wage structure does not exactly encourage life-long learning once the journeyman status has been reached. Added to that is the fact that the average age of journeymen in 2001 was 45 and the average age of workers overall (including apprentices) was 41, two years older than the average age for all manufacturing sector employees (39).

Another characteristic of the industry is the mobility of the workforce.

Another characteristic of the industry is the mobility of the workforce from one enterprise to another, from one site to another and from one region to another. On the other hand, employers are free to renew the entire workforce from one project to the next, even though in reality there is a relative stability. Therefore, we can say that the whole workforce can access a unique labour market with an almost perfect mobility. In addition to this geographic mobility, new and departing workers are an important factor in the industry since its annual turnover rate for salaried workers reaches 15 per cent.

With regard to the size of employers, the industry is characterized by very small businesses when compared to the rest of the economy. In fact, 93 per cent of employers have fewer than 10 employees. The average size is four employees per employer, and only about 100 employers have more than 50 employees. We can surmise that the internal organizational structure of most employers is very simple and will more than likely not include a human resources department.

The industry is characterized by very small businesses.

Theoretical Difficulties for the Development of Life-Long Learning

Among these characteristics of the industry can be discerned many theoretical barriers to the development of life-long learning. Since the publication of Becker's work (1964), the theoretical problem of the eventual loss of workers trained by an employer has been recognized as possibly feeding the employer's aversion toward investing in life-long learning for workers. The fear of not recovering the amounts invested if an employee leaves (or is recruited by another employer who has not had to finance the training, this being what some have termed the "raiding" of workers) constitutes a legitimate disincentive to the development of the workforce. This fear is theoretically sound where it

relates to offering a general training to the workforce, unless the workers accepts a decrease in wages for the duration of the training in order to absorb the costs incurred by the employer. Even if it relates to a training specific to the company, it is also theoretically sound, according to the risk level estimated by the employer of the trained employee leaving quickly after being trained (or the estimated rate of turnover). In this case, the employer may seek to retain its trained workforce through its remuneration practices.

The fear of not recovering the amounts invested if an employee leaves ... constitutes a legitimate disincentive to the development of the workforce.

These theoretical arguments are well known and not without foundation in the industry. For one thing, the mobility of the workforce is, in principle, perfect, increasing the risk to employers of not recovering monies invested in the training of their employees. In addition, the annual turnover rate (15 per cent) is rather high, which also, in a way,

increases the risk of not recovering training investments. Moreover, the fact that a single province-wide rate of pay is applied to all workers of the same trade practically eliminates any possibility for the employer to try to retain its workers through increased wages.

Yet another theoretical problem with respect to skills development is the very small size of employers. Indeed, there exists abundant literature indicating that the small size of employers, specifically as it is associated with an absence of organizational structures for the management of human resources and skills, constitutes a hindrance to the takeover of training development. Particularly worth mentioning are the results of Benoit and Rousseau (1993), Baldwin and Johnson (1995), Doray (1999) and Statistics Canada (2001). Thus, in the Quebec construction industry, the average of four workers per employer is a factor that could seriously limit the employers' capacity to take responsibility for life-long learning.

Recent Statistics Canada studies pertaining to evolving workplaces enable us to identify a certain number of difficulties that could particularly affect the construction industry with respect to life-long learning development. Knowing that there is a link between changes in a company (whether organizational, technological or market-based) and the frequency of training, we can see that the construction industry is somewhat hamstrung in this regard since it is one of the sectors with the lowest levels of innovation or of change in the workplace (Leckie et al. 2001; Statistics Canada 2001).

We could also add other potential obstacles to the development of life-long learning, such as the higher average age of workers or the education level of the workforce (secondary studies), which are factors generally not conducive to training development (Baldwin and Johnson 1995; Leckie

et al. 2001). Similarly, the low number of hours worked annually may constitute an obstacle, as

workers may give more priority to maximizing their hours than to obtaining training.

In other words, many industry characteristics are, at first glance, potential obstacles to

the development of life-long learning. In the absence of innovative collective solutions, it is highly likely that life-long learning would not be an important consideration in Quebec's construction industry.

Management of Life-Long Learning: A Mind-Set of Partnership and a Mind-Set of Link Building with Training Opportunities

Although the changes occurring within the construction industry are not as substantial as in other sectors, technical, technological, organizational and production-related changes still have an impact. In recognition of these changes, the Government of Quebec in 1987 entrusted the keys to training and workforce qualification to the various industry partners that had got together under the aegis of the Commission de la construction du Québec. The Commission Board of Management and the Committee on Vocational Training in the Construction Industry (the committee assigned to this issue by the Commission) quickly implemented reforms aimed at supporting the initial training of incoming workers, the learning of trades within the industry and the continued training of the workforce. The priority was life-long learning. At the time, the lack of initial training of a part of the workforce and the absence of any adequate follow-up to it pointed to major deficiencies with regard to existing workforce skill sets. Industry partners thus mobilized their resources to further train and upgrade their respective workforces.

The construction industry ... is one of the sectors with the lowest levels of innovation or of change in the workplace.

Even though by 1987, the province was geared to provide guidance, development, direction and coordination for the vocational training of its workforce to ensure that it met both the industry's quantitative and qualitative needs, the financial support of these initiatives remained in the hands of provincial and federal departments.

The inadequacy of government programs to meet the construction industry's needs with respect to life-long learning was quickly identified. Each successive attempt at obtaining financing for ongoing training activities most invariably met with failure because of the wrong stakeholder being approached, the wrong program being suggested, conflicting objectives set by the various government authorities regarding the needs of the industry, or the steps required and resources available. The construction industry was just one of many industry sectors and was often not well known to the various governmental education resources.

By 1990, the industry partners were furthermore already anticipating a gradual government disengagement from active workforce training. Reforms being all but impossible, innovation was the key.

Consequently, it was in 1988 that the industry began collaborating with the Quebec Ministry of Education. It invested in the situational analysis of work, in supporting the development and validation of vocational training programs and the various relevant guides produced by the Ministry, in the implementation of training resources, as well as in the management of the various centres dedicated to the construction industry.

The vocational training centres of the public education system have thus become an indispensable tool to increase the industry's efforts in the field of life-long learning. These

centres have been forced to react with more openness, more flexibility and more outright effort to ever-increasing workforce vocational upgrading needs. It had become urgent for the industry to remove obstacles and improve accessibility to life-long learning for an increasing number of workers. However, to link the industry needs with the existing training opportunities, a need linkage analysis system had to be put in place. In 1988, under the aegis of the Committee on Vocational Training in the Construction Industry, 26 professional subcommittees and 9

regional subcommittees composed of labour and employer representatives were set up to analyse the needs of the

various trades for each of the identified regions. Since that time, some 400 persons working in the industry are called upon annually to contribute to this needs assessment system.

The vocational training centres of the public education system have thus become an indispensable tool.

In order to respond to this annual training needs analysis, the industry now benefits from training activities offered throughout the year (and during certain periods so as to take the seasonal activity of the industry into account) at some 50 vocational training centres within the public education system in the nine Quebec regions. Thus in 2001-02,

some 1,240 different courses of 60 hours each on average were offered, covering all trades and occupations of the industry. Workers and employers are regularly informed of available activities and have access at all times to relevant information (through mailings and other means such as an info-training telephone service). It should be noted that training content is normally 75 per cent practical and/or technical. This training approach

appeals to clients and ensures virtually immediate application in the workplace.

The inadequacy of government programs to meet the construction industry's needs with respect to life-long learning was quickly identified.

Adopting the Principle of Fund Mutualization

For life-long learning to profit all workers and meet the needs of businesses, it was necessary to resolve one issue. How do you convince enterprises of the merits of investing in the training of an employee when that person could then move to another company, even though the business could, in turn, recruit a new employee and profit from the previous training investment of another company? How could the characteristics of the construction industry (and the anticipated theoretical problems mentioned above) be taken into account when mapping out a solution?

It became apparent, after several proposals had been considered, that the solution would be to vest in each individual a right to training which would be transferable from employer to employer. This would eliminate all obstacles to access to life-long and collectively guaranteed training. In order to put the concept of life-long learning into practice and make it accessible to all, it seemed possible to borrow a form of mutualization of individual rights from the insurance industry. In 1990, a project aimed at creating a training fund was set up. This fund would allow the industry to affirm its willingness to assume responsibility for its life-long learning activities while creating a collectively managed individual right to training.

In 1992, three years before the adoption of the *Act Respecting Labour Relations, Vocational Training and Manpower Management in the Construction Industry* (also known as the "1 per cent law"), the parties negotiating the various collective agreements implemented a contribution of 10 cents per hour worked as of April 1993, and of 20 cents as of August 1993, with the aim of establishing a training fund for industry workers' professional development and skills upgrading. However, an injunction sought by the Association provinciale des constructeurs

d'habitation du Québec (representing employers from the residential sector of the industry), submitted in April 1993, led to a safeguard order from the court, which froze all expenditures from the fund while maintaining employers' contributions. This effectively meant the fund would accumulate significant holdings, which would go from \$6.9 million in 1993 to \$63 million in 1997 and to \$114.4 million by 2000. In April 1997, the court confirmed the legal standing of this fund's constitution.

Parties negotiating the various collective agreements implement ... a training fund for industry workers' professional development and skills upgrading.

In April 1997, an agreement among the non-residential sectors of the industry allowed the establishment of fund management committees for these

sectors as well as fund utilization committees. Then, in December 1997, Bill 400 (*An Act to Amend Various Legislative Provisions Relating to the Construction Industry*) allowed the parties to "sectoralize" the funds, which led to the creation of two distinct funds within the industry: the Fonds de formation des travailleurs de l'industrie de la construction, for sectors other than residential, and the Plan de formation des travailleurs du secteur résidentiel, for that sector. At the end of 1998 and the beginning of 1999, expenditures were authorized by the non-residential fund management committee to cover various expenses incurred during different upgrading activities as well as for fees incurred by workers during their upgrading. For the residential sector, the new collective agreement signed in 1999 introduced a joint committee to manage the funds related to the upgrading of workers.

At the end of the 90's, the Committee on Vocational Training in the Construction Industry and the partners of the funds set ground rules regulating the use of these two funds with regard to the clients to be admitted, training activities to be supported, organizational arrangements to be maintained, training expenditures to be covered, as well as to reimbursements to be issued directly to clients in order to remove obstacles to worker participation in upgrading activities. Both

Both training funds indeed offer reimbursements aimed at supporting worker participation in upgrading activities.

training funds indeed offer reimbursements aimed at supporting worker participation in upgrading activities (such as reimbursements for travel and accommodation expenses). The general principle is to eliminate, where practicable, the costs of the worker participation in upgrading, be they registration fees (entirely covered by both training funds) or incidental fees (offset by reimbursements offered to workers). The objective is thus to collectively finance upgrading in order to facilitate, as much as possible, worker participation and to contribute, in the most efficient manner, to the development of practices and values conducive to the establishment of a culture of life-long learning.

Jointly, the two training funds' management committees ensure the promotion of training activities and recommend to the Commission de la construction Board of Management the financing of the skills upgrading and job retraining program. This way, industry partners are always the decision-makers. Furthermore, under the terms of an agreement between Emploi-Québec and the Commission, participants in an activity contained in the offer of service of the Committee on Vocational Training in the Construction Industry can maintain, under certain conditions, their employment insurance benefits.

Overall positive results within a few short years

The number of participants in upgrading activities within a trade or occupation has increased markedly since 1996, as indicated in Table 1. Indeed, for the last year covered by the table, the equivalent of nearly 7 per cent of the industry's workforce was participating in upgrading activities.

Furthermore, a detailed analysis of the data reveals that the incentives offered to clients contribute in a very real sense to removing obstacles to access to training activities for those living in remote areas who often must travel great distances to obtain training. Indeed, not only was a regional increase in participation detected, but also an increase in the rate of participation in activities outside the region of residence. In real terms, 1,410 out of 7,310 workers were trained outside their own regions in 2001-2002.

It seems that the system for the management and provision of training has kept up with the increase in client volumes. An outstanding 90 per cent activity retention rate has been maintained, even taking into account the rapid increase in the number of registrations. Nine out of 10 workers who start an upgrading activity finish it. In the same vein, the Committee on Vocational Training in the Construction Industry has surveyed training participants to obtain information about their levels of satisfaction with the teaching staff, the accuracy

Nine out of ten workers who start an upgrading activity finish it.

and relevance of content, the quality of classrooms and equipment, and organizational

arrangements (schedules, duration, season, etc.). On a scale ranging from a low of 1 to a high of 4, the average satisfaction level is 3.4.

Table 1
Evolution of training attendance,
1996-2002

Year (July 1 st to June 30 st)	Individual attendances at training	Annual rate of increase
1996-1997	1,589	-
1997-1998	1,797	13%
1998-1999	2,284	27%
1999-2000	2,359	3%
2000-2001	3,502	48%
2001-2002	7,310	109%

Note: It should be noted that certain workers may have participated in more than one upgrading activity within a year and thus account for two participations that year. However, according to the Commission de la construction du Québec those workers account for less than 2 per cent of the yearly total for all years above indicated. We may thus assume that the increases correspond almost entirely to an actual increase in the number of workers. The Commission plans to draft a progress report, covering the first five years of fund implementation, to identify the annual turnover rate for workers who have participated in upgrading activities.

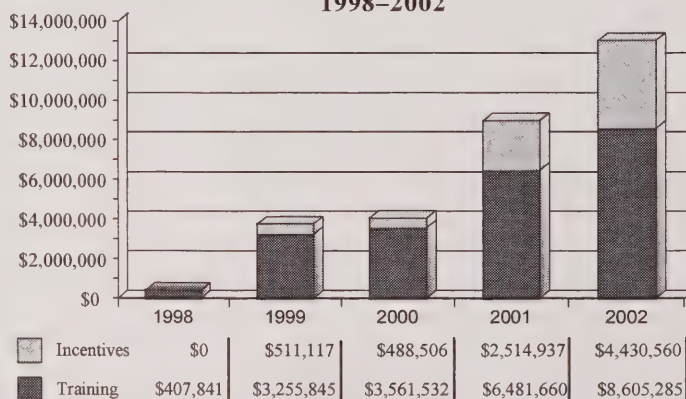
Source: Commission de la construction du Québec, 2002.
Rapport annuel de la direction de la formation professionnelle.

Total expenses incurred by the training funds for the upgrading of 617 groups in 2002 amounted to just over \$8.6 million (see Chart A). This amount corresponds to the direct costs of training, namely human resources (teaching staff), support (attendants, secretary, academic advisor, etc.), material resources (raw and educational materials), equipment and tools.

Added to this are the reimbursements issued for the main fees incurred by clients.⁶ These have a very positive impact on client participation, as evidenced by the increased rate of participation over the last few years. Participants receive their expense refunds quickly, in conformity with established guidelines, and those who request it are offered a cash advance management system. In 2002 for example, 6,879 workers (out of a total of 7,310 participants) were refunded their travel and accommodation expenses. The total of reimbursements for that year was \$4.4 million, from a total slightly exceeding \$13 million covered by the two industry training funds. In a nutshell, the mutualization concept has been gradually put into practice by industry stakeholders in order to induce the development of lifelong learning practices and ensure the long-term viability of the principle. The challenge for the next few years will be to maintain the interest for these practices in both workers and employers.

Chart A

**Expenses incurred by the Training Funds
of the Construction Industry
1998-2002**



Source: Commission de la construction du Québec, 2002. *Rapport annuel de la direction de la formation professionnelle.*

⁶ These reimbursements are known within the industry as life-long learning incentives.

Conclusion

It is important to remember that the issue of workforce development has been prominent in Canada for a decade. The federal government and many provincial governments have intensified their calls for industry stakeholders to assume responsibility for this issue and to seek out the most suitable ways to tackle it. Stakeholders from various sectors have answered that call in different ways, including, for example, the Canadian sectoral councils and Quebec sectoral workforce committees. It is our contention that stakeholders in the Quebec construction industry have answered the call in a unique manner by taking into consideration certain characteristics of their labour market and by taking advantage of the structural resources the industry has developed over the years (joint structures, collective resources, centralized bargaining, sectoral collective agreements, etc.).

It seems that the principle of pooling financial resources, referred to here as mutualization, has allowed, first, for the creation of the same obligation for all employers, irrespective of their size, neutralizing certain difficulties that might have caused a lack of financing for workers' training. In Quebec, the parties have agreed to inject, on an annual basis, 20 cents per hour worked, which represents slightly less than 1 per cent of the average hourly wage. This standard applies to all employers, the vast majority of whom are very small. It is worth mentioning that this self-imposed requirement is above and beyond the requirements of Quebec's so-called 1 per cent law which applies only to employers with annual payrolls in excess of \$250,000, therefore affecting only 60 per cent of employers in the construction industry.

Secondly, this annual contribution has, second, generated important revenues allowing for the organization of a life-long learning system, which

could not have come into being any other way. In other words, the stakeholders have appropriated a public good (the training system) and made it available to all employers and workers. Third, it may be said that applying the principle of mutualization has virtually created, for industry workers, a right to life-long learning that can be exercised in very favourable conditions. Workers are free to register for activities of their choice basically free of charge, based on a regional list of available courses (avoiding extensive travel) and tailored to the various trades.

Would this model be relatively easy to "export" to other sectors of the Canadian economy, or are its applications limited? It goes without saying that many of the structural characteristics of the Quebec construction industry are found nowhere else and are the result of a long historical process

Workers are free to register for activities of their choice basically free of charge, based on a regional list of available courses (avoiding extensive travel) and tailored to the various trades.

dating back to the *Act Respecting Collective Agreement Decrees of the 1930s*. Moreover, the principle of mutualization itself does not necessarily entail centralized bargaining, harmonized working conditions and so on. It does, however, require a certain formalization of the links

between stakeholders in a given sector in order to oversee the regulation of this pooling of funds. We are aware that in Quebec, certain sectors and regions are already trying to apply the principle of mutualization within the framework of various workforce development projects under the aegis of Emploi-Québec and the Quebec Labour Market Board. In summary, although the principle of mutualization is still, for the time being, limited in the scope of its application, it inherently possesses a certain potential for growth within the Canadian economy and should be assessed by labour market stakeholders.

Finally, let us conclude with a screening of the requirements set up by the partnership model per se. Although it has been key to the success of the Quebec construction industry up to this point, such a partnership remains an onerous process due to the number of parties involved and the consensus decision-making it requires. The model can increase the amount of time needed to come to a decision while ensuring better dissemination, better adherence by stakeholders and better reflection of employer and worker realities. By

the same token, partnership can occur only in a healthy environment, or else there is little to gain from continuing the exercise. In this respect, the state of labour relations has been rather good within the Quebec construction industry over the last decade, but this has not always been the case. Modus vivendi is essential to the management of the training system implemented, and is likely an important variable to keep track of over the coming years.

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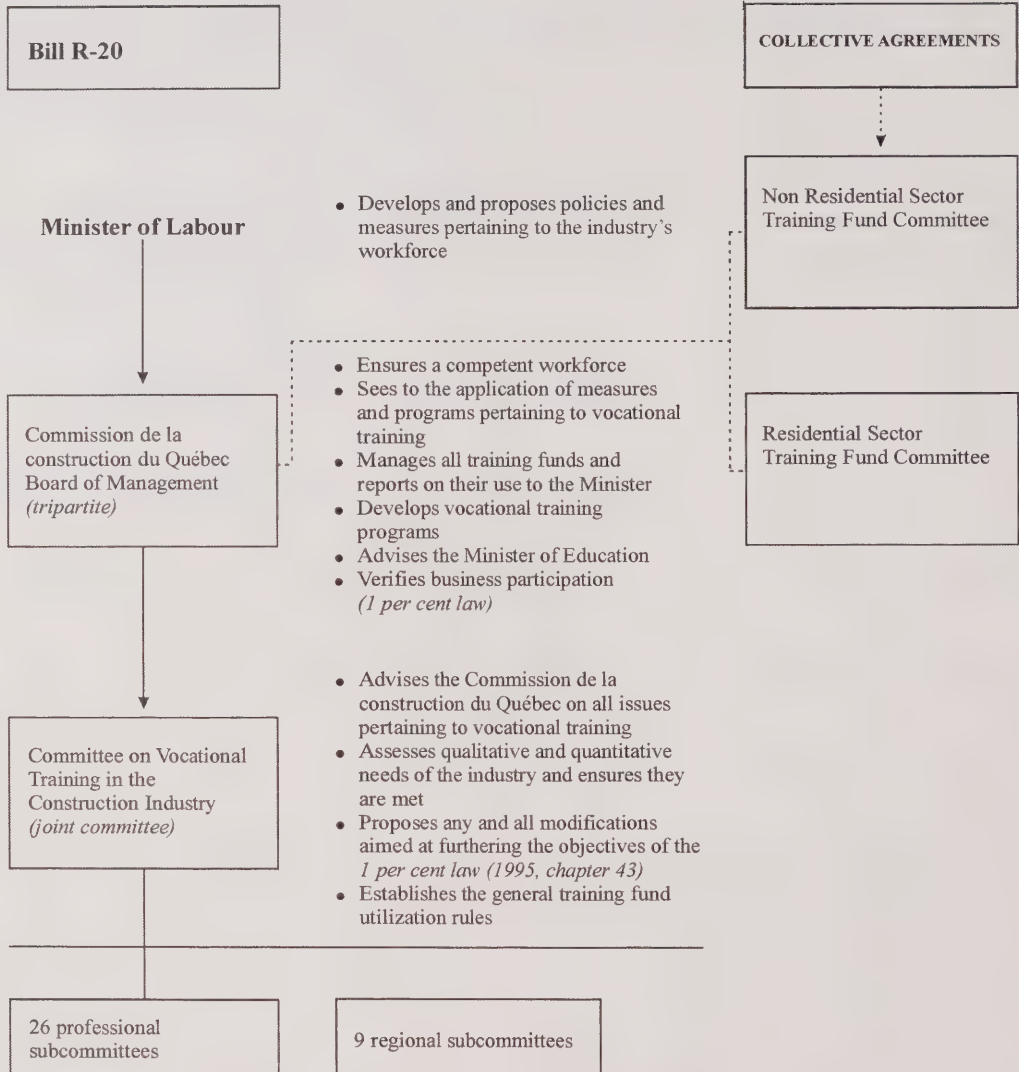
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Life-Long Learning Structures and Powers within the Quebec Construction Industry



Job Quality in the Non-Profit Sector

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Job quality is an important consideration in terms of financial security and quality of life. In Canada, approximately 60,000 non-profit organizations (excluding religious organizations and quasi-governmental organizations, like hospitals and schools) employ paid workers, providing jobs for almost 900,000 Canadians (1999 data). Overall, the non-profit sector accounts for a significant share of employment in Canada. In relative terms, paid employment in the sector is comparable to total employment in Newfoundland and Labrador, Nova Scotia and New Brunswick, or to total employment in the construction, mining, and oil and gas industries. In short, the quality of the jobs offered by non-profits has a very direct impact on the well-being of many Canadians. And, from an ethical perspective, one might add that if non-profit organizations are mandated to work towards such goals as community health, quality of life or indi-

vidual well-being, the best place to start is at home by offering competitive wages, good benefits and reasonable hours of work.

The objective of this paper is to provide a comparative overview of selected job quality measures across the non-profit, for-profit and quasi-government, or "quango," sectors of the economy. The analysis is a step forward in constructing a complete picture and provides much-needed breadth of perspective on employment in the sector.

Dimensions of Job Quality

There is no single indicator of job quality since a wide range of factors go into making a "good job." Table 1 provides an overview of eight dimensions, along with key indicators, that could be used to measure job quality.

Extrinsic rewards are certainly an important aspect of job quality, as earnings, non-wage

benefits and security are determinants of the financial well-being of employees and their families. The underlying social and psychological dynamics of the workplace, the workload and scheduling of hours are other important dimensions.

Job quality might also be defined in terms of the opportunities that employees have to participate in decisions that affect their job or workplace and the presence of a culture of openness and information sharing. Likewise, job design is a consideration, particularly the degree to which employees have autonomy and control over their work, feedback on their work, and adequate resources to do their job. The opportunity to develop and use one's skills and abilities is another important dimension of job quality, with relevant indicators including access to formal training, opportunities for on-the-job learning, and prospects for promotion and career advancement. Finally, health and safety is a critical consideration.

Table 1
Dimensions of Job Quality

Extrinsic Rewards	Intrinsic Rewards
<ul style="list-style-type: none"> • Earnings • Benefits • Job security 	<ul style="list-style-type: none"> • Interesting work • Sense of accomplishment • Use of creativity and initiative
Employment Relations	Hours and Scheduling
<ul style="list-style-type: none"> • Respect • Communication • Trust and commitment • Fairness 	<ul style="list-style-type: none"> • Work hours, including overtime • Flexibility • Work-life balance
Organizational Structure	Skill Use and Development
<ul style="list-style-type: none"> • Employee influence • Participation in decision making • Information sharing 	<ul style="list-style-type: none"> • Training and learning opportunities • Opportunities for promotion • Use of technology
Job Design	Health and Safety
<ul style="list-style-type: none"> • Autonomy and control • Feedback • Resources 	<ul style="list-style-type: none"> • Physical work environment • Physical demands of job • Psychological demands of job

Source: Lowe, Graham S. (2000). *The Quality of Work: A People-Centred Agenda*. Toronto: Oxford University Press.

Working Arrangements

Overall, compared to the for-profit and quango sectors, larger proportions of paid employees in the non-profit sector are employed on a temporary or part-time basis. Temporary employment is especially common in non-profit health, education and social services, and in culture, recreation and associations. The share of part-time employees who would prefer to work more hours is comparable across the non-profit, for-profit and quango sectors. Unpaid overtime is prevalent in the non-profit sector, although it is not unique in this respect.

Indeed, considerable shares of managers and professionals across the labour force work unpaid hours of overtime.

Higher proportions of both men and women in the non-profit sector have flexible work arrangements compared to workers in other sectors. Such flexibility can suit the needs of both employers and employees. But there can be a downside in that the prevalence of such jobs has important implications for job security, benefit coverage and annual earnings.

Earnings

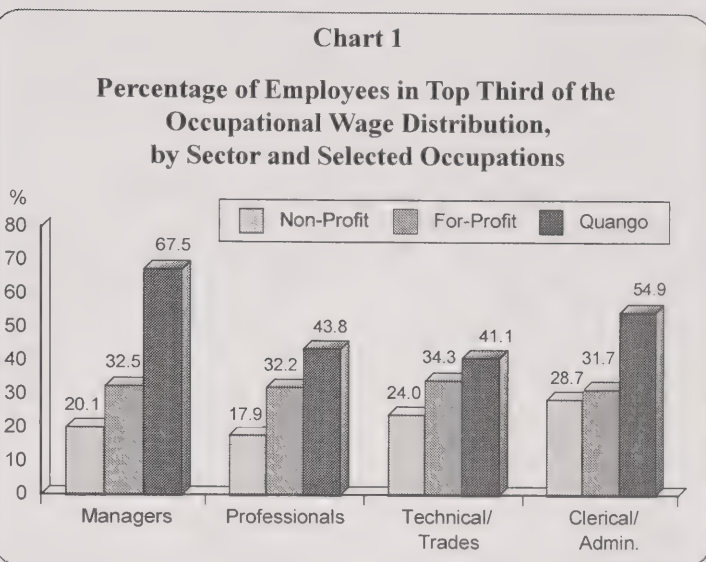
Average hourly earnings of managers, professionals and technical/trades workers in the non-profit sector lag behind their counterparts' in the for-profit and quango sectors. This gap can translate into substantial earnings differences on an annual basis. Another way of comparing earnings across sectors is to rank earnings of individuals in each occupational group. Here, we find that managers and professionals in the non-profit sector stand out as being over-represented at the bottom of the earnings distribution, and under-represented at the top. Since the incidence of temporary and part-time employment is relatively higher in the non-profit sector, employees are more likely to work fewer total hours during the year, further increasing the earnings gap on an annual basis.

Variable pay—pay systems that link individual pay to performance—is becoming increasingly prevalent in the for-profit sector. Such systems are far less common in the non-profit sector. A number of factors may account for this, such as concerns among non-profit managers and board members regarding public perceptions; legal strictures against commissions or bonuses for fundraising; lack of objec-

tive measures on which to base variable pay; and managerial or board perceptions that incentive pay is inconsistent with the non-profit organization's mandate or mission. That being said, some organizations do have merit or incentive systems in place, although evidence suggests that these are often very small, amounting to token recognition of effort and performance.

Access to Benefits

Earnings are only one part of the overall compensation package. Another important part consists of benefits like supplemental medical insurance, dental plans, life and disability insurance, employer-sponsored pension plans, group registered retirement savings plans, and supplemental employment insurance. Offering such benefits often entails a cost to employers and so will vary from employer to employer. Furthermore, not all employees will choose to participate in some benefit programs if participation is optional and they have coverage through a spousal plan, for example. Indicators based on the rates of participation in benefit plans can therefore provide only an approximation of the extent to which employers offer such benefits to their employees. Only a minority of non-profit employers offer benefits, ranging from about



Source: Based on data from the *Workplace and Employee Survey*, 1999.

38 per cent in the case of supplemental medical insurance and about one-third for dental plans, to close to 30 per cent for employer-sponsored pension plans or group registered retirement savings plans and 6 per cent in the case of supplemental employment insurance.

The vast majority of non-profit workplaces are small, having fewer than 10 paid employees. It is these small workplaces that are least likely to provide benefits to their employees. Most non-profit employees work in larger workplaces, however. Therefore, the percentage of paid employees in the sector who are covered by non-wage benefits is considerably higher than the percentage of employers offering such benefits.

Slightly more than half of employees participate in supplemental medical insurance, dental plans, and disability/life insurance plans, and over 60 per cent participate in an employer-sponsored pension plan or group registered retirement savings plan.

The non-profit sector scores higher on this dimension of job quality than the for-profit sector. This is especially the case for larger employers (20 or more paid employees). The non-profit sector is also more likely to offer such benefits to part-time or temporary workers, although the participation rate of this group of workers remains low, at just over 25 per cent.

Employers in non-profit health, education and social services, where many of the

larger employers are located, are most likely to provide benefits, while employers in culture, recreation and associations and in "other non-profit" sectors are less likely to do so.

Job Satisfaction and Satisfaction with Pay and Benefits

In the literature on non-profit employment, attention is often drawn to the intrinsic rewards that individuals derive from working in the sector. It is argued that while wages may be low, other factors—such as the opportunity to make a contribution to the community or to help others—provide an incentive for individuals to work in the sector. The opportunity to have flexible work arrangements may also be one of the intrinsic benefits.

Overall, about two-thirds of employees of non-profits reported that they were satisfied with both their job and their pay and benefits. This is similar to the percentage in the quango sector and slightly less than that in the for-profit sector. However, the gap between the non-profit sector and the other two sectors is considerably larger in the case of workers aged 45 years or more. In the non-profit sector, only 63 per cent of employees in this group were satisfied with both their pay and benefits, compared to 75 per cent in the

Table 2			
Level of Job Satisfaction Reported by Paid Employees by Sector, Gender and Age Group, 1999			
	<u>Very satisfied</u>	<u>Satisfied</u>	<u>Dissatisfied/ Very Dissatisfied</u>
All Employees			
Non-profit sector	33.4	52.6	13.9
Quango sector	37.5	54.3	8.2
For-profit sector	34.7	55.0	10.4
Male Employees			
Non-profit sector	30.9	57.5	11.6
Quango sector	44.3	46.5	9.2
For-profit sector	34.7	54.9	10.4
Female Employees			
Non-profit sector	34.3	51.0	14.7
Quango sector	34.1	58.1	7.7
For-profit sector	34.6	55.0	10.3
Less than 35 years			
Non-profit sector	23.5	66.3	10.2
Quango sector	34.0	56.2	9.9
For-profit sector	30.2	57.4	12.3
Aged 35 to 44			
Non-profit sector	32.6	52.3	15.1
Quango sector	35.2	56.9	7.8
For-profit sector	36.4	54.3	9.3
Aged 45 or older			
Non-profit sector	43.0	48.2	8.8
Quango sector	40.5	52.6	6.9
For-profit sector	38.2	52.8	9.0

Source: Based on data from the *Workplace and Employee Survey*, 1999.

for-profit sector. Close to 3 in 10 non-profit employees aged 45 years or older were satisfied with their job but dissatisfied with their pay and benefits.

Conclusions and Implications

The relatively higher incidence of temporary and part-time employment in the non-profit

sector is consistent with an interpretation that many non-profit organizations rely on these types of employment to cope with financial uncertainty and instability. Organizations unsure of their funding on a year-to-year basis are not in a position to offer their employees permanent or full-time employment.

The relatively high incidence of part-time employment may offer advantages both to employees who are seeking to balance work and family responsibilities and to employers. The fact that the sector consists largely of women supports this theory, as does the fact that about two-thirds of part-timers do not want additional hours of work. However, individuals' needs for such flexibility vary throughout their working lives. Do many individuals seek work in the non-profit sector during the years when they have the heaviest family responsibilities, only to switch jobs later on, once those responsibilities begin to lighten? This question raises retention issues for employers. The higher rate of dissatisfaction with pay and benefits, in spite of being satisfied with the job overall, among individuals aged 45 years or older suggests that some, at least, may be re-evaluating the trade offs.

Many paid employees in the non-profit sector are women, many of whom have postsecondary credentials. Statistics suggest that a lot of these women have strong project management and organizational skills, as well as a commitment to providing a "public good." Employers in the quango and government sectors tend to employ individuals with these same characteristics. This means that in the years ahead, non-profit employers will likely be competing with quasi-public and public sector employers for the same pool of labour.

Job quality is important both in terms of retaining employees currently working in the sector and in terms of recruiting new employees. For job seekers assessing whether or not non-profit organizations are "employers of choice," the lower earnings potential is likely to be a serious drawback.

But, while the non-profit sector is unique in some respects, it is not in others. Downsizing, restructuring and budgetary constraints have had impacts on employees across the private, quango and public sectors as well, and long hours and heavy workloads are widely reported. Perhaps more than any other sector, the non-profit sector is human-resource intensive. It is vital, then, that the sector continue to build solid knowledge and understanding of the nature of the work and the characteristics of employees in the sector. Moreover, it is critical to have an accurate assessment of what its human resource needs will be in the future, as well as of the needs that workers bring to their jobs. This kind of information is crucial for managing the challenges of retention and recruitment and for improving working conditions in the sector.

Document No. 2 CPRN Research Series on Human Resources in the Non-Profit Sector, dated January 2003, summarized here, is available at <http://www.cprn.org> or on request at (613) 567-7500.

Fire Prevention Week

OCTOBER 5-11, 2003

Julie Robillard
Communications, Labour Program
Human Resources Development Canada

When Fire Strikes:

Get out!
Stay out!

Accidental fires in the workplace cause injury, death and loss of livelihood to thousands of Canadians. As well, workplace fires cost businesses millions of dollars in property losses, costs that are often not recoverable. Such losses are avoidable by applying basic fire prevention controls and emergency preparation measures. Most accidental fires in the workplace are a result of employer or employee negligence or both.

Fire Prevention Week runs from October 5-11, 2003. The theme this year is, "*When Fire Strikes: Get out! Stay out!*". This message tells us that when your smoke alarm goes off at home, you leave

right away using one of your planned escape routes and do not return inside for any reason. Your planned escape routes should always include two ways out of every room and an outside meeting place.

Every year, the Labour Program of Human Resources Development Canada and Fire Prevention Canada join forces for Fire Prevention Week. Raising fire safety awareness and decreasing the number of deaths, injuries and property losses caused by fire is the goal. The history of the fire prevention movement has its roots in the Great Chicago Fire of October 9, 1871. This tragic blaze killed more than 250 people and destroyed more than 17,400 structures in less than 27 hours. The Great Chicago Fire, coupled with the blaze on Parliament Hill in February 1916, helped increase awareness of



fire prevention in Canada and led to the first annual Fire Prevention Week in 1923.

The Labour Program encourages compliance with national and international fire prevention and fire protection standards for federal government departments, First Nations and certain Crown Corporations. However, protecting all Canadians from the consequences of fire is a responsibility shared by all levels of government and by all Canadians.

In 2000, a total of 53,720 fires were reported,¹ involving 327 deaths; 2,490 injuries; and a total of \$1,185,233,793 in property losses.

¹ Annual Report 2000, Fire Losses in Canada, Council of Canadian Fire Marshals and Fire Commissioners.

Residential properties continue to account for the largest number of fires. In 2000, there were 21,206 fires in this category, 39 per cent of the Canadian total. These incidents resulted in 243 deaths or approximately 74 per cent of the nation's fire fatalities. The monetary loss amounted to \$529 million, or 45 per cent of the total loss.

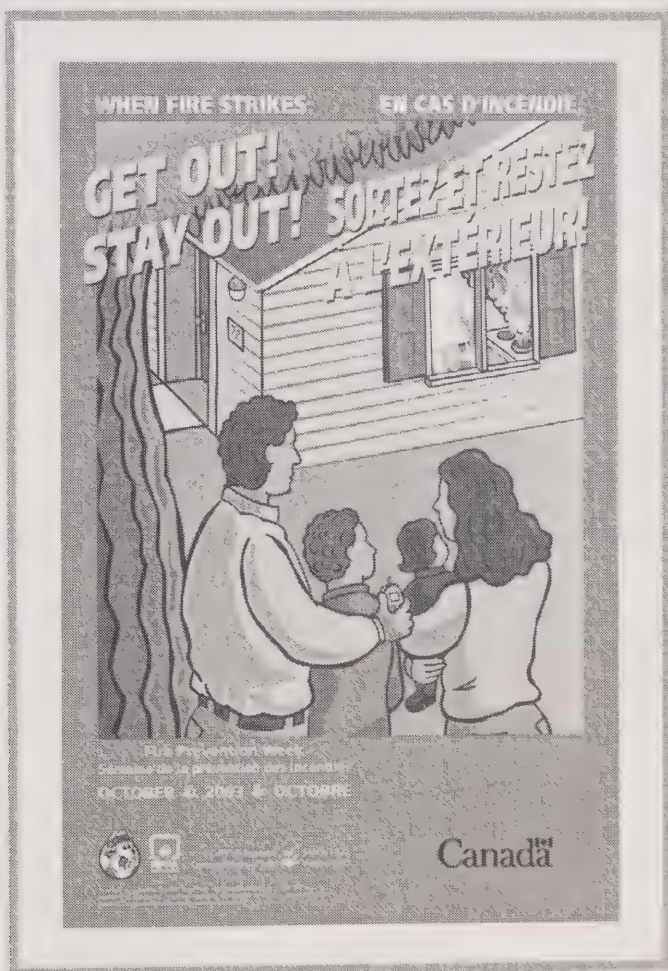
The property classification showing the second largest number of fires was "Special property and transportation equipment," where 19,126 fires were reported, accounting for approximately 36 per cent of the overall Canadian total. For under ground transport vehicle, 11,352 incidents were reported, amounting to a dollar loss of \$72 million. The total dollar loss for the "Special properties and transportation equipment"

classification was \$137 million.

The following three groups lead the list of number of reported fires and property dollar loss: "Smoker's Material and Open Flame" with 19 per cent of the fires and a dollar loss of \$207 million, "Cooking Equipment" with 10 per cent of the fires and losses of \$69 million, and "Heating Equipment" with 9.0 per cent of the fires and losses of \$97 million.

Fire Prevention Week is an example of a successful partnership between different groups with common interests and goals.

Teaching and practicing prevention is the first step in decreasing the dangers of fire. Educational and awareness programs are working; however, we still have a long way to go.



Selection of Recent Changes in Canadian Labour Laws

Adopted Bills, Regulations and Other Statutory Instruments

MICHEL GAUVIN, CHARLES PHILIPPE ROCHON and ANNICK DELISLE

Strategic Policy and International Labour Affairs

Labour Program, Human Resources Development Canada

British Columbia: *Community Services Labour Relations Act*; Bill 61 Assented to May 29, 2003; in force June 20, 2003

The purpose of the *Community Services Labour Relations Act* is to establish a more streamlined labour relations structure in the social services sector. More specifically, the *Act*:

- Gives the Community Social Services Employers' Association (CSSEA) exclusive authority to bargain on behalf of agencies that are members of CSSEA whose employees are unionized, and to bind them by a collective agreement.
- Creates an association of unions composed of all trade unions representing employees of an agency, who are included in any of the bargaining units established for the community social services sector.
- Provides for an agreement on articles of association for the association of unions, subject to the approval of the Labour Relations Board, which has the power to determine provisions to be included in the agreement in specified circumstances.
- Establishes a bargaining unit for each of the three broad service areas in the community social services sector for the purpose of collective bargaining between the CSSEA and the association of unions (i.e. community living services, aboriginal services, and general services, including child and family services, women's services and other social services), and provides that the Lieutenant Governor in Council may consolidate the bargaining units into a single unit.
- Provides that the Minister of Skills Development and Labour may direct the Labour Relations Board to conduct a vote to designate a union that will represent all of the employees in the respective bargaining units, despite the provisions dealing with the association of unions.
- States that a collective agreement may not prevent an agency from using volunteers, unless this would result in the layoff of an employee, or limit the government or an agency from entering into a contract with a family home provider (i.e. a primary home care provider to a person, who does not provide care to more than three persons at any time).
- Specifies that an arbitrator or the Labour Relations Board must not declare a person who provides services under a contract between the government and an agency, or is an employee of an agency, to be an employee of the government unless that person is fully integrated into its operations and is under its control and direction.

New Brunswick: Minimum Wage Increase Announcement; Official News Release, August 1, 2003

Margaret-Ann Blaney, Minister of Training and Employment Development, announced an increase in the minimum wage from \$6.00 to \$6.20 an hour, effective January 1, 2004. This is the first in a series of increases slated to take place during the current provincial government's mandate, which will bring the minimum wage to \$6.60.

Northwest Territories: *An Act to Amend the Public Service Act*; Bill 14; Assented to June 13, 2003

This Act will amend the *Public Service Act* to add new equal pay provisions and related enforcement mechanisms.

Equal Pay for Work of Equal Value

Under new equal pay provisions, an employer will be prohibited from establishing or maintaining pay rate differences between male and female employees who perform work of equal value in the same establishment. Three groups of public-sector employees—teachers, employees of the Northwest Territories Power Corporation and the group comprised of all other employees of the public sector—will each be deemed to be an "establishment" for the purpose of these provisions.

The *Act* will allow a difference in rate of pay that is attributable to a seniority or merit system; a system that measures earnings by quantity or quality of production or performance; a compensation or hiring system that recognizes the existence of a labour shortage or of regional differences in the cost of living; a downgrading, reclassification or demo-

tion process or system; or a temporary rehabilitation or training program. Such systems, processes or programs will only be valid as long as they do not discriminate on the basis of sex.

The criteria used to assess the value of the work performed by different employees in the same establishment will be the composite of the skill, effort and responsibility required to perform the work and the conditions under which the work is performed.

Equal Pay Commissioner

An Equal Pay Commissioner (EPC) will be appointed, on the recommendation of the Legislative Assembly, to receive and investigate complaints, assist parties¹ in resolving them, prepare investigation reports and promote awareness and understanding of equal pay issues. An EPC's appointment will be for a term of four years, during which he/she may only be suspended or removed from office for cause or incapacity. The *Act* also allows for the appointment of an acting or of a special Equal Pay Commissioner in specified circumstances.

An employee will be allowed to file a written complaint with the EPC within two years after the last occurrence of circumstances giving rise to the complaint. Following receipt of a complaint, the EPC will be responsible for conducting an investigation in the course of which he/she may request any person to produce documents and/or provide other relevant information. The EPC will be able to apply to the Supreme Court of the Northwest Territories for an order requiring a person to comply with such a request.

Within six months after receiving a complaint, the EPC will have to send an investigation report to the parties, including recommendations regarding the resolution of the complaint.

¹ The *Act* defines "party" as an employee who files a pay discrimination complaint, his/her employer, and "any employees' association that is a party to a collective agreement that provides for the pay that is the subject of the complaint."

Arbitration

It will be possible for any party to submit the complaint, with the investigation report, to an arbitrator within six weeks after receiving the report. The arbitrator, whose costs will be paid by the EPC, will then hold an arbitration hearing. Where the arbitrator determines that a contravention of the *Act's* equal pay provisions has occurred, he/she may, in an award, make one or more directions against the contravening employer: to cease the contravention; to refrain in the future from committing the same or a similar contravention; to make available to any affected employee any rights, opportunities or privileges that were denied because of the contravention; to compensate any affected employee for all or part of any pay lost up to three years prior to the date on which the complaint was filed with the EPC; to pay up to \$10,000 as exemplary or punitive damages where it has acted wilfully or maliciously, or repeatedly contravened the equal pay provisions; and to take any other action to place an affected employee in the position he/she would have been in but for the contravention. In addition, the arbitrator may, in certain circumstances (e.g. frivolous or vexatious complaints), order a party to pay some or all of the costs of another party.

Any party will be allowed to appeal a decision of an arbitrator to the Supreme Court of the Northwest Territories within six weeks after the award is delivered to the appellant.

Coming into Force

This Act will come into effect on a date to be set by the government of the Northwest Territories.

Nova Scotia: Regulations under the *Occupational Health and Safety Act*; N.S. Regs. 149/2003 to 153/2003; Royal Gazette, Part II, of August 22, 2003

These Regulations bring changes in the field of mine safety.

The provisions of the *Occupational Health and Safety Act* repealing the *Coal Mines Regulation Act* and the *Metalliferous Mines and Quarries Regulation Act* will be proclaimed in force as of November 8, 2003. On the same date, the regulations respecting occupational health and safety made under those two acts will also be repealed.

The province has approved new *Underground Mining Regulations* under the *Occupational Health and Safety Act*. The *Regulations* define the duties and responsibilities of employers and employees in underground mines. They also establish training requirements and qualifications for mine workers and the technical specifications for the safe operation of mines. They will take effect on November 8, 2003.

Ontario: *Terms and Conditions of Employment in Defined Industries—City of Toronto Public Transit* under the *Employment Standards Act, 2000*; Ontario Regulation 294/03; Gazetted July 26, 2003

This Regulation modified certain terms and conditions of employment, provided by the *Employment Standards Act, 2000*, with respect to employers and employees in public transit services in the City of Toronto for the period from July 29, 2003 to August 5, 2003. Under these temporary terms and

conditions of employment, an employer was allowed to permit an employee to work any number of hours in excess of the daily and weekly limits specified in the Act (i.e. s. 17 (1), (2)), provided the employee agreed to work those hours and did not work more

than 78 hours in a week. The *Regulation* also allowed for the minimum 11 consecutive hours free from performing work in each day to be reduced to 8 consecutive hours.

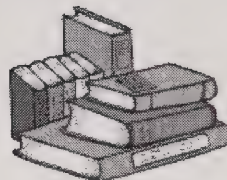
*For additional information on recently adopted or proposed changes
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Readers' Corner

Michèle Auger, Fred Longley and Edward Popoff
Departmental Library
Human Resources Development Canada



Adapting to Workplace Change

Harvard Business Review on Building Personal and Organizational Resilience.
Boston, Mass.: Harvard Business School Press, 2003.
HRDC HD49 H37

In today's rapidly changing workplace, resilience has become a highly desirable trait sought in employees. This collection of articles examines the characteristics of resilience, which apply to both individuals and

organizations. Techniques are offered to solve problems when the usual decision-making tools are lacking, and to improvise quick responses to crisis.

Hiatt, Jeffrey M. **Employee's Survival Guide to Change: the Complete Guide to Surviving and Thriving during Organizational Change.** Loveland, Colo.: Prosci Research, 2002. Rev. ed.
HRDC HD58.8 H52 2002

This handbook describes the process of change and the role of the employee in it, and provides a set of practical tools—the ADKAR model—to help the employee manage change and attain personal and professional advancement. The

model has five elements: awareness of the need for change; desire to make the change happen; knowledge about how to change; ability to implement new skills and behaviours; and reinforcement to sustain the change.

McLagan, Patricia A. **Change Is Everybody's Business.** San Francisco, Calif.: Berrett-Koehler, 2002.
HRDC HD58.8 M345

This practical guide aims to help the development of an outlook and techniques to thrive in change. Everyone in an organization has the power to be an active participant in

change. The author examines the beliefs, character traits and actions that will help the reader take advantage of change rather than fearing and resisting it.

Williams, Allan P.O., Sally Woodward and Paul Dobson. **Managing Change Successfully: Using Theory and Experience to Implement Change.** London: Thomson, 2002.
HRDC HD58.8 W54

The authors advocate an active learning approach to assist in change implementation. They encourage review and revision of assumptions about change management by testing them against the experiences in the case studies provided and a sample of theories from

the literature, and with one's fellow workers. This book discusses the critical competencies for change management, and offers insights in gaining the cooperation of others and in alleviating the stress of change.

Winters, Mary-Frances. **Only Wet Babies Like Change: Workplace Wisdom for Baby Boomers.** Chantilly, VA: Renaissance Publishers, 2002.
HRDC HD58.8 W56

For the large cohort of baby boomers, who began working in the stable industrial age and are now at mid- or end-career, the substantial and ongoing workplace changes of the knowledge era have often been difficult. This

book is intended to help boomers rethink their concept of work and learn new skills to deal with change. Practical advice is combined with insights on tapping into personal strengths to embrace rapid change.

NOTES

1. For other available references in French language only, see the French version of the *Workplace Gazette* / *Gazette du travail*.
2. Human Resources Development Canada employees can borrow these items from the Departmental Library. Others can borrow them through their own library.

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Escalator Provisions and Cost-of-Living Adjustments

Fifty Years Ago...

In September 1953, the last cost-of-living index was published. It was replaced by a consumer price index which was divided into specific groups: food, shelter, clothing, household operation and other commodities and services. The Bureau of Statistics prepared a statement designed to assist those facing the problem of converting escalator clauses in wage contracts from the use of the cost-of-living index to the use of the consumer price index. The problem of converting escalator clauses to the use of consumer price index was basically one of calculating point changes in both indexes that amount to the same percentage change. Because the indexes were at different levels, a given number of points in the cost-of-living index were equal to a smaller percentage than the same number of points in the consumer price index. While a detailed methodology was proposed with comparisons for both methods, it was also pointed out that matters pertaining to wage adjustments were determined between the parties concerned, and that the adoption, modification or rejection of the proposed method was indeed a matter of negotiation.

Today...

Collective agreements still include cost-of-living adjustment provisions (COLA). In periods of rapid and prolonged inflation, unions strive to negotiate COLA provisions that provide wage adjustments based upon increases in the consumer price index. Management will usually try to resist such provisions because of its inability to predict the cost of wages over the life of the agreement when planning for total production costs. Nevertheless, COLA provisions were included in a number of collective agreements in the 1970s and 1980s with a peak in the number of agreements with such provisions in 1981 (close to one third of agreements). The same year also recorded a peak in the annual average adjustments in agreements with and without COLA. In the 1990s, the number of agreements with inflation protection provisions has dwindled and now represents approximately 10 per cent of agreements. In addition, because of the various formulae used to trigger adjustments and the size of the adjustments, the actual adjustments resulting from such provisions are fairly small. However, should inflation become erratic or continue on an upward trend, the now dormant COLA clauses could become a major wage adjustment mechanism.

INFORMATION PRODUCTS AND CLIENT SERVICES

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Wage Settlements Bulletin

A monthly publication providing the most up-to-date information and analysis of major wage developments in collective bargaining in Canada. The Bulletin is a valuable and recognized reference source providing statistical and analytical information illustrated with useful charts and tables on recent wage developments. The aggregate data and details are published in the following groupings: public and private sectors, regions and jurisdictions, and major industry groups. **Subscription:** Canada, 1 year: \$220 or 2 years: \$400 plus 7% GST; other countries, 1 year: US\$220 or 2 years: US\$400 (available by e-mail and mail).

Negotech

A searchable labour relations database providing timely information on the key aspects (settlement reports and full collective agreement contract language) of collective bargaining in Canada. Access via the Internet. Available free as an added value to subscribers of our publications.

Visit our Web Site for information on work stoppages, labour organizations in Canada, a calendar of collective agreement expiries and reopeners, articles and case studies published in the Workplace Gazette, information on innovative workplace practices and a selection of recent changes in Canadian labour laws.

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Workplace Gazette

A quarterly publication providing data on wage adjustments from major collective bargaining settlements in Canada by public and private sectors, by region, by jurisdiction and by major industry; detailed analysis of selected provisions in major agreements; a chronological perspective on work stoppages; and, information on innovative workplace practices resulting from collective bargaining. It also features articles and case studies on pertinent industrial relations matters. **Subscription:** Canada, 1 year: \$140 or 2 years: \$250 plus 7% GST; other countries, 1 year: US\$140 or 2 years: US\$250 (available by mail only).

Collective Bargaining Bulletin

A monthly publication containing timely information based on recently signed major collective agreements in Canada. The publication focuses on summaries of changes to wages and benefits in selected settlements, the status of key negotiations as well as data on work stoppages. Also included is a list containing major settlement reports currently available on the Negotech database. **Subscription:** Canada, 1 year: \$65 or 2 years: \$110 plus 7% GST; other countries, 1 year: US\$65 or 2 years: US\$110 (available by e-mail and mail).



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Workplace gazette

Volume 6, No. 4

CA1
HR
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An Industrial Relations
Quarterly

Winter 2003

First Nations Policing
and Collective
Bargaining—Working
Together

Local Requirements
for a Multinational
Enterprise—The Case
of Fleischmann's Yeast,
the Montréal Factory

Subcontracting in the
Manufacturing Sector—A
Quebec-Ontario
Comparison



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Quarterly

Issued by:

Workplace Information Directorate
Labour Program
165 Hôtel de Ville
Place du Portage, Phase II
Hull, Quebec K1A 0J2

1-800-567-6866 or (819) 997-3117

Internet: <http://labour.hrdc-drhc.gc.ca/>

E-Mail: wid-imt@hrdc-drhc.gc.ca



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Available in Canada through
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Canadian Government Publishing
Ottawa, Canada K1A 0S9

Catalogue No. L12-22E
ISSN 1480-6886

*The content of this publication has been prepared by members of
The Canadian Association of Professional Employees and the Public
Service Alliance of Canada.*

AT A GLANCE

The *Workplace Gazette* presents a wide range of information and analysis to meet the ever-changing needs of the industrial relations community. Its purpose is to provide a sound base for research in support of the bargaining process.

The *Workplace Gazette* includes information and analysis on wage adjustments, collective agreement provisions, innovative workplace practices, work stoppages, upcoming key negotiations and other related topics.

The Winter 2003 issue includes third quarter data for 2003 on wage adjustments in major collective agreements, both current and historical, by public and private sectors, by region, by jurisdiction and by major industry. Also, included is a listing of major settlements reached in the third quarter 2003; highlights from our annual collective bargaining forecast as well as information on work stoppages for the third and second quarters of 2003. An overview of selected provisions highlights direct compensation in collective agreements. Innovative practices in the workplace resulting from collective bargaining are summarized.

An overview of ongoing Labour-Management Partnerships Program initiatives is described and a report on First Nations policing and collective bargaining is featured. A case study by M. Brossard focuses on local requirements for a multinational enterprise as described at Fleischmann's Yeast in the Montréal factory. Finally an empirical study by P. Jalette compares subcontracting practices in the manufacturing sector in the provinces of Quebec and Ontario.

Recent changes in Canadian Labour Laws focus on adopted bills, regulations and other statutory instruments. The Departmental Library is offering reading material on mental health in the Workplace.

Finally, Yesterday and Today looks at older workers.

Table of Contents

Page

WAGES AND WORK ENVIRONMENT

Major Wage Settlements—Third Quarter 2003	7
Collective Bargaining Forecast—2004	13
Major Settlements Reached in the Third Quarter 2003	15
Wage Settlements Tables	18
Work Stoppages	28
Selected Provisions in Collective Agreements— <i>Direct Compensation in the Workplace</i> <i>Marie-Ève BÉDARD</i>	33
Innovative Workplace Practices <i>Bruce ALDRIDGE</i>	46

ARTICLES

• Labour-Management Partnerships Program—Project Listing <i>Federal Mediation and Conciliation Service</i>	51
• First Nations Policing and Collective Bargaining—Working Together <i>Labour-Management Partnerships Program</i>	54
• Local Requirements for a Multinational Enterprise—The Case of Fleischmann's Yeast, the Montréal Factory <i>Michel BROSSARD</i>	56

continued on next page

ARTICLES (CONTINUED)

- Subcontracting in the Manufacturing Sector—A Quebec-Ontario Comparison
Patrice JALETTE 73

CANADIAN LABOUR LAWS

- Adopted Bills, Regulations and Other Statutory Instruments
Michel GAUVIN
Charles Philippe ROCHON
Annick DELISLE 87

READERS' CORNER—DEPARTMENTAL LIBRARY

- Mental Health in the Workplace
Michèle AUGER
Fred LONGLEY
Edward POPOFF 102

YESTERDAY AND TODAY

- Older Workers—Still Willing and Able to Work
Suzanne PAYETTE 105

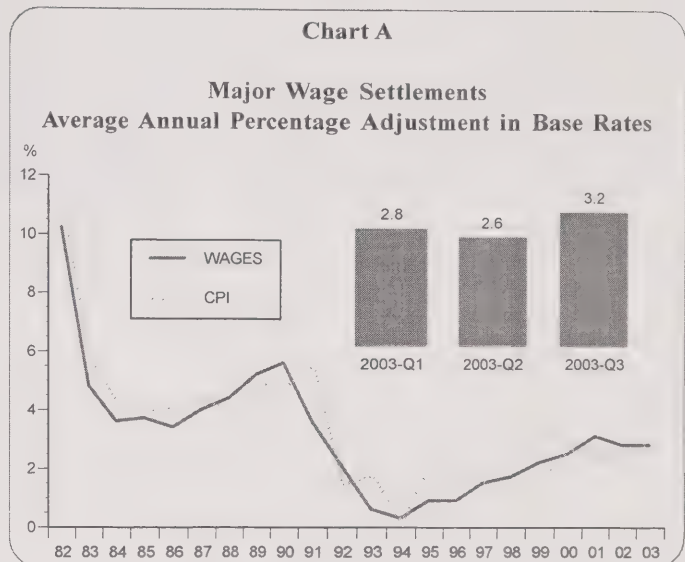
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MAJOR WAGE SETTLEMENTS*

Third Quarter 2003

Summary

- Major collective bargaining settlements reached in **the third quarter 2003** provided base-rate wage increases averaging **3.2 per cent** annually over the contract term. This is higher than the 2.6 per cent figure recorded in the previous quarter and 2.8 per cent for the year 2002 as a whole. The third quarter 2003 results are based on a review of 44 settlements reached in the period, with a coverage of 125,110 employees.
- When the parties to the third quarter settlements previously negotiated, contract duration averaged 32.6 months, and the resulting wage adjustments averaged 2.7 per cent, compared to 3.2 per cent in the current round of settlements and an average contract duration of 40.9 months.



Public and Private Sectors

In the third quarter 2003, the majority of agreements settled (70.5%) and employees covered (88.4%) were in the public sector. Wage increases in the **public sector** averaged **3.3 per cent** for 110,560 employees in 31 agreements and in the **private sector**, **2.4 per cent** for 14,550 employees in 13 agreements. The private-sector figure was more moderate due in part to such contracts as the INCO settlement in Sudbury, Ontario, with 3,400 employees (almost one-quarter of the employee coverage) receiving

* Major settlements are those involving bargaining units of 500 or more employees. All wage rate adjustments over the term of these agreements, including those arising from cost-of-living clauses (COLA), are taken into account. The yield of such COLA clauses is estimated on an assumed 2.0 per cent annual increase in the Consumer Price Index.

wage gains averaging 2.1 per cent, and the agreement between the Greater Vancouver Hotel Employees Association and 1,240 hospitality employees for wage increases averaging 1.8 per cent.

Region/Jurisdiction

The largest concentration of employees (approximately half of employee coverage) in third quarter settlements was in the Federal jurisdiction; eight major agreements covering 63,220 employees averaged wage gains of 3.1 per cent. This includes the Canada Post settlement providing 48,000 letter carriers, inside workers and technical employees with wage increases averaging 3.0 per cent; this single agreement alone accounts for 38.4 per cent of all employees covered in third quarter settlements.

The largest average increase by region was recorded in **Atlantic Canada at 4.2 per cent**. This was mainly due to the agreement between Memorial University in Newfoundland and 780 members of faculty for wage gains averaging 5.0 per cent. The smallest increase was in the **Multiprovince** jurisdiction where a single

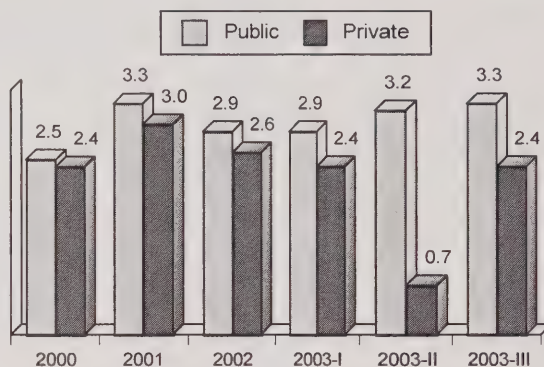
agreement (Pipe Line Contractors Association) averaged an increase of **2.0 per cent**.

Industries

On an industry basis, the largest increase in the third quarter was in the **education, health and social services** sector, with 12 agreements providing 4,240 employees with wage gains averaging **4.3 per cent**. The second largest wage increase at **3.4 per cent** was recorded in **public administration**. The smallest average wage gain at **1.8 per cent**, was in the **entertainment and hospitality** sector, a single agreement covering 1,240 hospitality workers with the Greater Vancouver Hotel Employees Associa-

Chart B

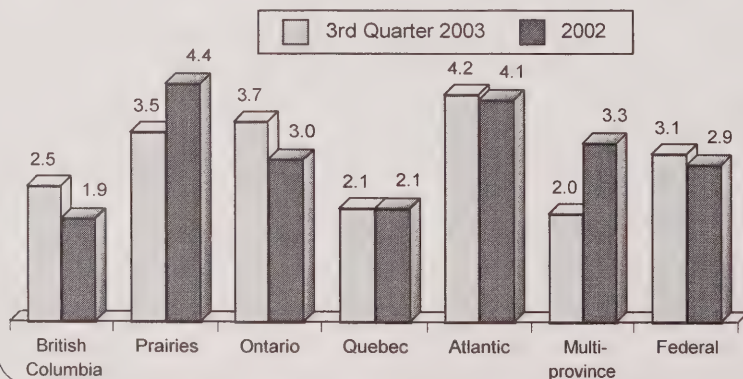
Major Wage Settlements by Public/Private Sectors Average Annual Percentage Adjustment in Base Rates



Source: Workplace Information Directorate.

Chart C

Major Wage Settlements by Region/Jurisdiction Average Annual Percentage Adjustment in Base Rates



Source: Workplace Information Directorate.

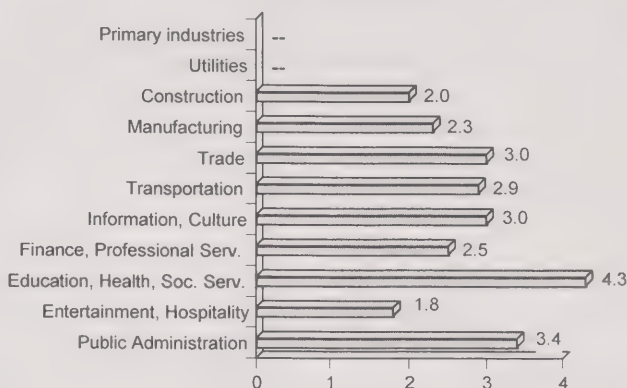
tion. The largest concentration of employees (45.6% of all employees) was recorded in **the transportation** sector (the Canada Post); wage increases in this sector averaged **2.9 per cent** for 57,080 employees in six agreements. The remaining average wage increases for various industries are itemized in the adjoining chart.

Wage Distribution

In the third quarter 2003, for 59.3 per cent of all employees, wage increases fell in the 3.0 to 3.9 per cent range, compared to 23.6 per cent of employees receiving increases in that range last year.

At the upper end of the wage-gain scale, 17.5 per cent of all employees in third-quarter 2003 settlements received wage increases of 4.0 per cent or more. At the lower end, 23 per cent of all employees received wage increases below 3.0 per cent.

Chart D
Major Wage Settlements by Industry
Average Annual Percentage Adjustment in Base Rates



Source: Workplace Information Directorate.

In the **public sector**, the majority of employees (65 %) received increases in the 3.0 to 3.9 per cent range whereas in the **private sector**, the majority of employees (71.3 %) received increases in the 2.0 to 2.9 per cent range.

Distribution of Agreements and Employees by Range of Wage Adjustments

Adjustment Range	Agreements		Employees	
	Number	Percentage	Number	Percentage
1.0% to 1.9%	4	9.1	7,690	6.1
2.0% to 2.9%	13	29.5	21,190	16.9
3.0% to 3.9%	20	45.5	74,200	59.3
4.0% to 4.9%	4	9.1	16,570	13.2
5.0% to 5.9%	1	2.3	780	0.6
6.0% to 6.9%	2	4.5	4,680	3.7
ALL LEVELS	44	100.0	125,110	100.0

Note: Due to rounding, percentages may not always equal 100 per cent.

Source: Workplace Information Directorate.

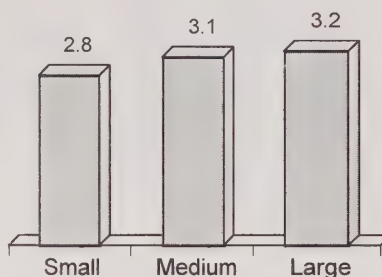
Wage Data for the Third Quarter 2003 for Small, Medium and Large Bargaining Units

Among the 72 collective bargaining settlements reached in the third quarter of 2003, 28 settlements were in small bargaining units (between 100 and 499 employees), 31 were in medium bargaining units (500 to 1,999 employees), and 13 were in large bargaining units with 2,000 employees or more.

SMALL bargaining units reported an average increase of **2.8 per cent**. **Public sector** settlements provided an average increase of **3.5 per cent**, much higher than the **private sector** wage adjustment of **1.5 per cent**. On an industry basis, the **education, health and social services** sector had the highest wage adjustment at **4.1 per cent** while **entertainment and hospitality** and **wholesale and retail trade** sectors reported the lowest average at **1.2 per cent**. On a regional/jurisdictional basis, average increases ranged from a high of **3.8 per cent** in **Ontario** to a low of **1.9 per cent** in the **Federal** jurisdiction.

MEDIUM bargaining units reported a third quarter average wage increase of **3.1 per cent**. **Public sector** settlements resulted in an average increase of **3.5 per cent**, compared to the **private sector** figure of **2.4 per cent**. On an industry basis, the **education, health and social services** sector had the highest wage adjustment at **4.0 per cent** while **entertainment and hospitality** reported the lowest average at **1.8 per cent**. On a regional/jurisdictional basis, average increases ranged from a high of **4.2 per cent** in the **Atlantic Provinces** to a low of **2.0 per cent** in the **Muliprvince** category.

Chart E
Average Annual Adjustment
by Size of Bargaining Units,
Third Quarter 2003

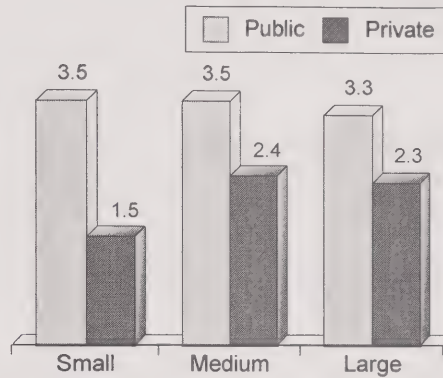


Source: Workplace Information Directorate.

LARGE bargaining units reported a wage increase of **3.2 per cent**. Settlements in the **public sector** provided an average increase of **3.3 per cent** while the **private sector** resulted in an average low of **2.3 per cent**. On an industry basis, the **education, health and social services** sector had the highest wage adjustment at **4.4 per cent** while the **manufacturing** sector reported the lowest increase at **2.1 per cent**. On a regional/jurisdictional basis, average increases ranged from a high of **3.8 per cent** in the **Prairie Provinces** to a low of **1.8 per cent** in **Quebec**.

Chart F

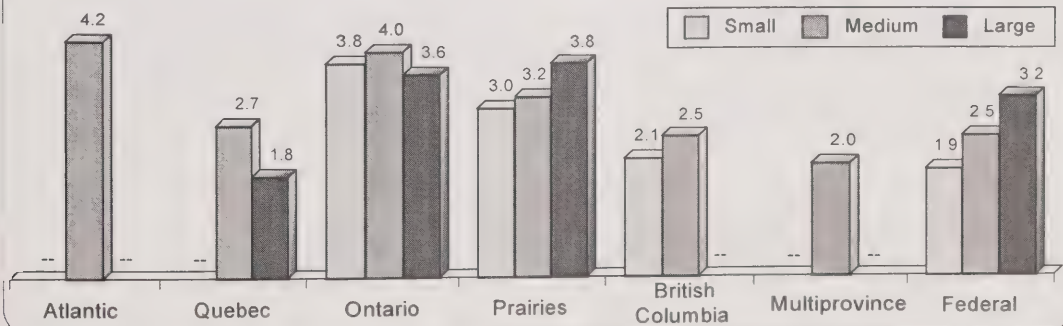
Average Annual Adjustment by Size of Bargaining Units, by Public/Private Sectors, Third Quarter 2003



Source: Workplace Information Directorate.

Chart G

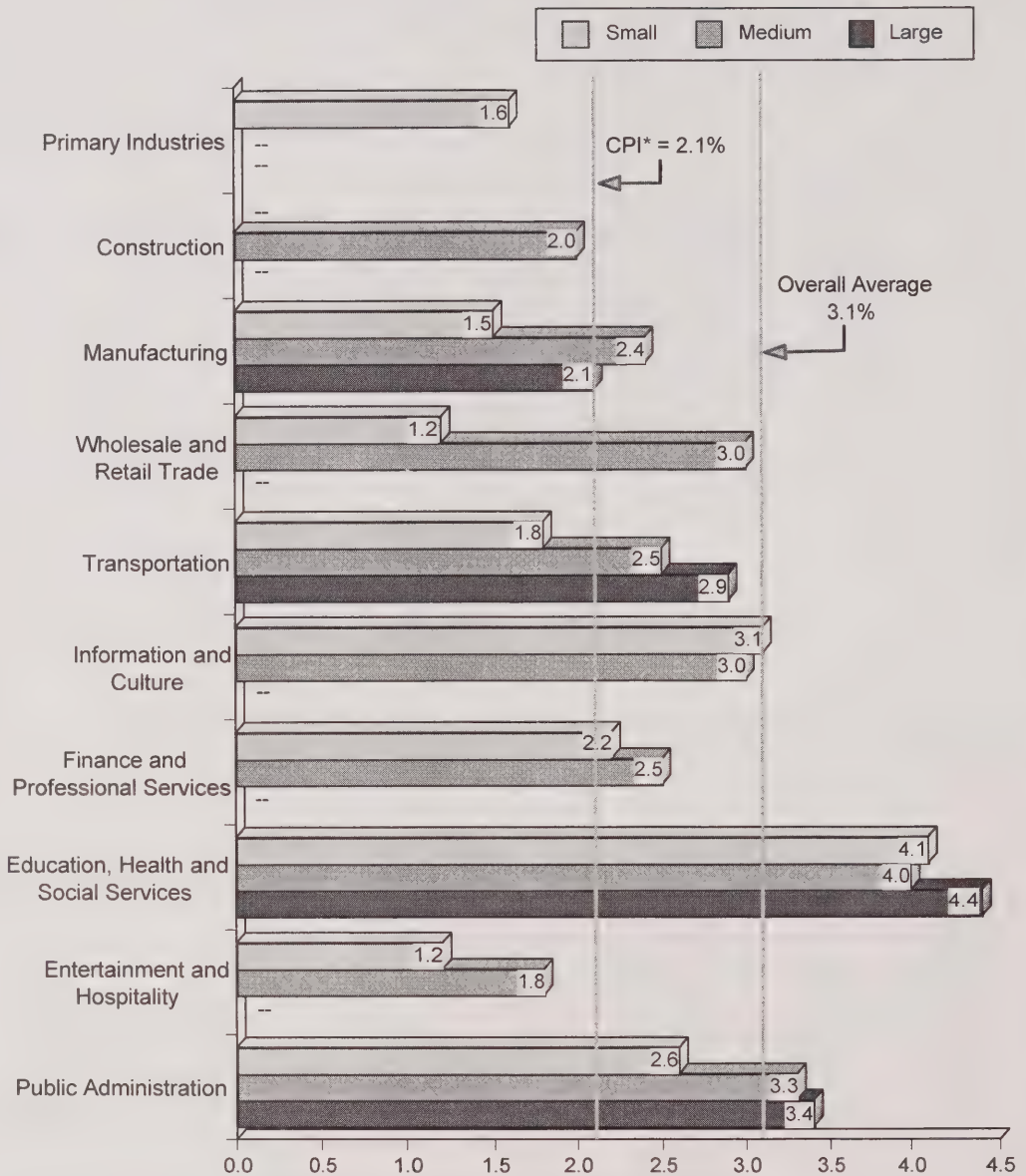
Average Annual Percentage Adjustment by Size of Bargaining Units, by Region/Jurisdiction, Third Quarter 2003



Source: Workplace Information Directorate.

Chart H

**Average Annual Percentage Adjustment
by Size of Bargaining Units, by Industry, Third Quarter 2003**



* Per cent change from the same period last year.

Source: Workplace Information Directorate.

COLLECTIVE BARGAINING FORECAST—2004

In December of each year, the Workplace Information Directorate undertakes an exercise to estimate the wage outcomes of collective bargaining for the coming year.

The forecast data are developed using internal and external expertise and individual forecasts are aggregated and weighted based on employee coverage for major collective agreements (500 or more employees) likely to be settled in 2004.

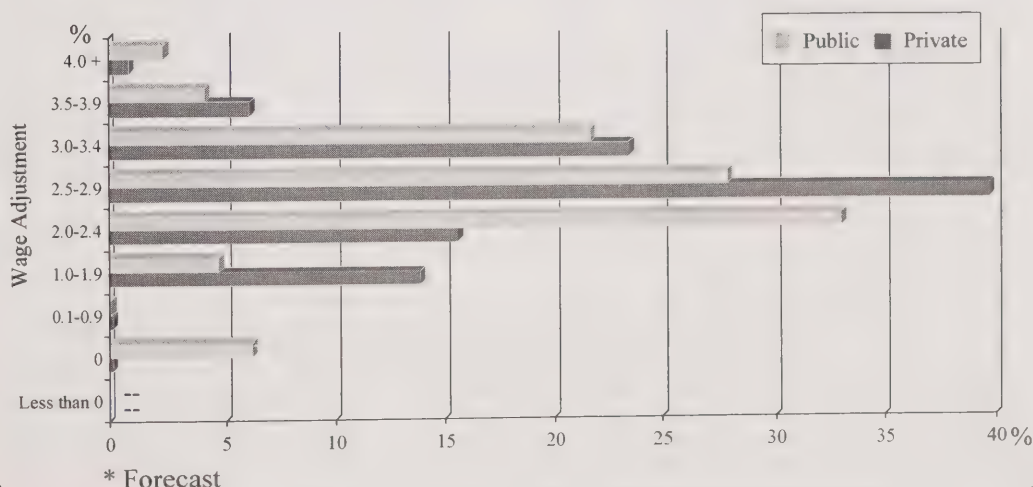
Highlights of 2004 Forecast

Overall wage adjustment	2.4%	Number of major agreements to settle	506
• Private sector	2.5%	Number of employees covered	1,383,830
• Public sector	2.4%	Projected Consumer Price Index	2.0%

Forecast Wage Adjustment by Industry Group

Primary Industries	2.2%	Information and Culture	2.3%
Utilities	2.7%	Finance and Professional Services	1.5%
Construction	2.8%	Education, Health and Social Services	2.3%
Manufacturing	2.2%	Entertainment and Hospitality	2.7%
Wholesale and Retail Trade	1.7%	Public Administration	2.7%
Transportation	2.5%		
All Industries			2.4%

Forecast Distribution of Employees by Size of Wage Adjustment—2004*



Source: Workplace Information Directorate.

Other Forecasts

<i>Organizations</i>	<i>Forecast Average Increases</i>	
The Conference Board of Canada ¹	Unionized 2.6%	- -
Groupe-conseil Aon ²	Hourly Unionized 3.0%	Hourly Non-Unionized 3.0%
HayGroup	Unionized 2.2-3.6%	Non-Unionized 2.4-3.5%
Hewitt and Gestion-conseil Loran ²	Unionized 2.9%	Hourly Paid 3.2%
Morneau Sobeco ²	Hourly Unionized 2.7%	Hourly Non-Unionized 3.0%
Société conseil Mercer ²	Hourly Paid 3.0%	- -
Saucier Conseil	Unionized 2.6-2.9%	Non-Unionized 3.0-3.4%
Towers Perrin ²	Salaried Non-Unionized 3.0%	- -
Watson Wyatt ²	Hourly Paid 3.2%	Office 3.2%
Institut de la statistique du Québec ³	Unionized 2.3%	Unionized Public Administration 2.0%

¹ Conference Board of Canada, *Compensation Planning Outlook 2004: Real Wage Gains Expected*, Fall 2003.

² Quebec Association of Human Resources and Industrial Relations Professionals. *Planned Compensation Increase Forecast 2004*, Website Portal RHRI 2003.

³ Institut de la statistique du Québec, *Travail et rémunération : rémunération des salariés, État et évolution comparés*, November 2003.



Major Settlements Reached in the Third Quarter 2003

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Construction (1 agreement)	800	2.0	1.6	60.0	
Pipe Line Contractors Association of Canada, welders, Canada-wide	800	2.0	1.6	60	2008-04-30
Manufacturing (6 agreements)	6,790	2.3	2.8	45.5	
Canadian Forest Products Ltd., Northwood Pulp Mill, mill employees, Prince George, B.C.	500	2.2	2.5	60	2008-04-30
Goodyear Canada Inc., plant and maintenance employees, Valleyfield, Que.	940	3.0*	3.7	36	2005-06-30
Howe Sound Pulp and Paper Limited, mill employees, Port Mellon, B.C.	500	2.2	2.5	60	2008-04-30
INCO Limited, smelting and refinery employees, Sudbury, Ont.	3,400	2.1*	3.0	36	2006-05-31
La Brasserie Labatt Limitée, plant and maintenance employees, Lasalle, Que.	850	2.1	1.9	84	2009-12-31
Maple Leaf Poultry—Member of Maple Leaf Foods Inc., production employees, Toronto, Ont.	600	2.3	2.4	36	2005-09-23
Wholesale and Retail Trade (2 agreements)	1,350	3.0	3.4	60.6	
Corporation des concessionnaires d'automobiles de la région de Québec, mechanics, Québec, Que.	850	3.0*	3.5	75	2009-02-11
Zellers Inc., warehouse employees, Toronto and Brampton, Ont.	500	3.2	3.3	36	2006-05-31
Transportation (6 agreements)	57,080	2.9	2.8	47.6	
Canada Post Corporation, mail carriers, Canada-wide	48,000	3.0*	3.0	48	2007-01-31
City of Winnipeg, bus drivers, Winnipeg, Man.	1,140	3.0	3.0	36	2006-01-11
Greater Toronto Airports Authority, office and clerical employees, Toronto, Ont.	650	1.8*	1.5	36	2006-07-31
Greyhound Canada Transportation Corporation, bus drivers, system-wide	1,420	2.5	2.0	48	2006-12-31
Montréal Transit Commission, bus drivers, Montréal, Que.	3,570	1.7*	0.0	48	2007-01-07
NAV CANADA, air traffic controllers, Canada-wide	2,300	2.7	2.5	48	2005-03-31
Information and Culture (1 agreement)	700	3.0	3.5	24.0	
Canadian Broadcasting Corporation, administrative services employees, province-wide	700	3.0	3.5	24	2005-09-25
Finance and Professional Services (2 agreements)	2,430	2.5	2.5	29.7	
National Research Council of Canada, scientific and other professionals, Canada-wide	1,280	2.5	2.5	24	2004-07-19
National Research Council of Canada, technical employees, Canada-wide	1,150	2.5	2.5	36	2005-02-13

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average		Duration (months)	Expiry Date YY-MM-DD
		Annual Adjustment	First Year Adjustment		
Education, Health and Social Services (12 agreements)	24,240	4.3	4.2	24.8	
Dufferin-Peel Catholic District School Board, elementary teachers, Mississauga, Ont.	3,040	6.6	6.6	12	2004-08-31
Dufferin-Peel Catholic District School Board, secondary teachers, Mississauga, Ont.	1,640	6.6	6.6	12	2004-08-31
EMC Emergency Medical Care Incorporated, para-medical professional employees, province-wide, N.S.	660	3.3	3.2	36	2005-03-31
Louis Riel School Division, elementary and secondary teachers, Winnipeg, Man.	1,100	3.0	3.0	24	2004-06-30
Memorial University of Newfoundland, professors, St. John's, Nfld. and Labrador	780	5.0	5.0	36	2005-08-31
Ontario Hospital Association, laboratory technicians, province-wide, Ont.	6,170	3.5	3.5	24	2004-03-31
Regional Health Authorities of Manitoba, para-medical technical employees, province-wide, Man.	3,300	4.5	5.0	36	2006-03-31
Toronto Catholic District School Board, elementary teachers, Toronto, Ont.	4,020	4.0	3.0	24	2004-08-31
University of Saskatchewan, professors, Saskatoon, Sask.	1,000	3.1	3.0	36	2005-06-30
University of Windsor, teaching assistants, Windsor, Ont.	630	3.0	3.0	12	2004-08-31
Upper Canada District School Board, office and clerical employees, Brockville, Ont.	1,140	3.0	3.0	36	2005-08-31
York Region District School Board, service and maintenance employees, Aurora, Ont.	760	3.2	3.3	24	2005-08-31
Entertainment and Hospitality (1 agreement)	1,240	1.8	1.0	48.0	
Greater Vancouver Hotel Employer's Association, service and maintenance employees, Vancouver, B.C.	1,240	1.8	1.0	48	2007-06-30
Public Administration (13 agreements)	30,480	3.4	4.2	39.9	
City of Burnaby, inside employees, Burnaby, B.C.	1,410	2.6*	2.5	48	2006-12-31
City of Calgary, firefighters, Calgary, Alta.	990	3.3	3.5	24	2003-12-31
City of Calgary, outside employees, Calgary, Alta.	2,530	3.3	3.0	36	2005-12-25
City of Coquitlam, inside and outside employees, Coquitlam, B.C.	980	2.6*	2.5	48	2006-12-31
City of Edmonton, inside employees, Edmonton, Alta.	2,500	3.3	3.0	36	2005-12-24
City of Edmonton, outside employees, Edmonton, Alta.	1,780	3.3	3.0	36	2005-12-24
City of Montréal, firefighters, Montréal, Que.	2,230	1.8	2.0	60	2006-12-31
City of Ottawa, inside and outside employees, Ottawa, Ont.	6,000	2.8	2.5	48	2004-12-31
Government of Canada, scientific and other professionals, Canada-wide	7,720	4.2	7.8	36	2005-09-30
Hamilton Police Services, police officers, Hamilton, Ont.	720	3.6	3.9	36	2005-12-31

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average		Duration (months)	Expiry Date YY-MM-DD
		Annual Adjustment	First Year Adjustment		
Public Administration (continued)					
Regional Municipality of Peel Police Services Board, police officers, Brampton, Ont.	1,530	4.2	4.2	12	2003-12-31
Regional Municipality of York Police Services Board, police officers, Newmarket, Ont.	930	3.6	3.9	36	2005-12-31
Vancouver Police Board, police officers, Vancouver, B.C.	1,160	3.3*	3.8	48	2006-12-31
Agreements with COLA (9 agreements)	60,960	2.9*	2.8	47.4	
Agreements without COLA (35 agreements)	64,150	3.6	3.9	34.8	
All Agreements (44 agreements)	125,110	3.2	3.4	40.9	

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Source: Workplace Information Directorate.

Calendars of Collective Agreements Expiries and Reopeners

*Coming soon, the 2004 Calendar listings for
MAJOR and SMALL Bargaining Units*

*2003 Calendar of Major Bargaining Units is available on the
Workplace Information Directorate Web site at*

<http://labour.hrdc-drhc.gc.ca/doc/wid-dimt/eng/expreo.cfm/>.

Table 1**Major Wage Settlements—All Sectors
by Year and Quarter**

		<u>Number of Agreements</u>	<u>Number of Employees</u>	<u>Duration in Months</u>	<u>% Wage Adjustment</u>
YEAR					
1984		559	1,156,230	21.1	3.6
1985		516	838,620	24.5	3.7
1986		553	1,121,456	25.6	3.4
1987		478	1,111,330	29.9	4.0
1988		542	1,182,742	25.3	4.4
1989		453	1,001,786	29.6	5.2
1990		507	1,146,353	28.4	5.6
1991		547	1,345,643	18.2	3.6
1992		496	1,306,765	24.3	2.1
1993		518	1,412,471	23.9	0.7
1994		434	942,583	28.4	0.3
1995		402	908,803	32.8	0.9
1996		378	810,415	32.6	0.9
1997		379	692,219	33.9	1.5
1998		412	938,310	31.9	1.7
1999		379	828,140	36.0	2.2
2000		406	1,081,270	34.8	2.5
2001		428	992,630	33.4	3.2
2002		368	985,930	29.0	2.8
2003*		264	471,960	34.2	2.8
* Year-to-Date					
QUARTER					
2002	I	67	210,420	35.0	2.9
	II	130	454,300	21.9	2.6
	III	90	183,830	37.5	2.8
	IV	81	137,380	31.9	3.3
2003	I	87	107,650	31.3	2.8
	II	133	239,200	32.0	2.6
	III	44	125,110	40.9	3.2

Table 2

**Major Wage Settlements—Public and Private Sectors
by Year and Quarter**

	Public Sector				Private Sector			
	Number of Agreements	Number of Employees	Duration in Months	% Wage Adjustment	Number of Agreements	Number of Employees	Duration in Months	% Wage Adjustment
YEAR								
1984	276	635,190	17.0	3.9	283	521,040	26.1	3.2
1985	316	566,785	21.7	3.8	200	271,835	30.1	3.3
1986	321	709,241	25.3	3.6	232	412,215	26.0	3.0
1987	270	824,298	29.4	4.1	208	287,032	31.4	3.8
1988	301	698,603	24.0	4.0	241	484,139	27.2	5.0
1989	294	736,003	30.0	5.2	159	265,783	28.6	5.2
1990	283	677,830	27.4	5.6	224	468,523	29.7	5.7
1991	365	1,121,668	16.0	3.4	182	223,975	29.2	4.4
1992	301	975,874	21.7	2.0	195	330,891	32.2	2.6
1993	347	1,012,003	23.4	0.6	171	400,468	25.2	0.8
1994	299	719,824	26.5	0.0	135	222,759	34.5	1.2
1995	215	629,625	31.5	0.6	187	279,178	35.9	1.4
1996	212	564,293	31.7	0.5	166	246,122	34.7	1.7
1997	220	370,325	30.3	1.1	159	321,894	38.1	1.8
1998	221	646,270	31.1	1.6	191	292,040	33.7	1.8
1999	219	510,590	35.0	2.0	160	317,550	37.6	2.7
2000	303	917,990	33.5	2.5	103	163,280	41.8	2.4
2001	259	691,930	31.9	3.3	169	300,700	36.7	3.0
2002	259	771,830	26.0	2.9	109	214,100	39.9	2.6
2003*	196	372,750	32.0	3.2	68	99,210	42.7	1.4
* Year-to-Date								
QUARTER								
2002 I	48	176,580	34.7	3.1	19	33,840	36.3	2.1
II	104	404,930	19.9	2.7	26	49,370	38.0	2.5
III	47	100,680	31.0	3.2	43	83,150	45.5	2.4
IV	60	89,640	30.5	3.3	21	47,740	34.5	3.5
2003 I	63	81,160	28.3	2.9	24	26,490	40.8	2.4
II	102	181,030	28.7	3.2	31	58,170	42.2	0.7
III	31	110,560	40.0	3.3	13	14,550	48.1	2.4

Table 3

**Wage Adjustment—All Sectors
Region/Jurisdiction by Year and Quarter**

	2001	2002	2002–2003			
			4	1	2	3
	%	%	%	%	%	%
Canada	3.2	2.8	3.3	2.8	2.6	3.2
Atlantic	3.9	4.1	2.7	3.1	3.5	4.2
Newfoundland and Labrador	5.0	6.6	5.0	3.0	-	5.0
Prince Edward Island	3.1	4.9	-	3.6	-	-
Nova Scotia	3.7	2.4	2.5	3.4	3.1	3.3
New Brunswick	3.4	2.7	2.3	2.3	3.8	-
Quebec	2.8	2.1	2.0	1.8	2.4	2.1
Ontario	2.9	3.0	3.4	3.1	3.6	3.7
Prairies	4.3	4.4	4.0	3.4	2.3	3.5
Manitoba	2.4	4.0	3.2	3.1	2.0	3.9
Saskatchewan	2.9	3.9	3.8	3.6	2.6	3.1
Alberta	5.1	5.0	4.1	3.5	2.4	3.3
British Columbia	3.1	1.9	2.0	2.3	1.5	2.5
Territories	3.1	3.0	3.1	-	2.5	-
Multiprovince	3.0	4.3	-	-	2.8	2.0
Federal	3.0	2.9	3.2	2.1	0.8	3.1

Table 4

**Wage Adjustment—Public and Private Sectors
Region/Jurisdiction by Year and Quarter**

	2001	2002	2002–2003			
			4	1	2	3
	%	%	%	%	%	%
PUBLIC SECTOR						
Canada	3.3	2.9	3.3	2.9	3.2	3.3
Atlantic	4.0	4.3	3.1	3.2	-	4.2
Newfoundland and Labrador	5.0	7.2	5.0	4.0	-	5.0
Prince Edward Island	3.1	4.9	-	-	-	-
Nova Scotia	3.8	2.3	2.5	3.4	-	3.3
New Brunswick	3.5	3.0	3.2	2.3	-	-
Quebec	2.7	2.0	2.2	1.4	2.3	1.8
Ontario	3.0	2.9	3.0	3.2	3.6	4.0
Prairies	4.1	4.8	4.1	3.3	3.3	3.5
Manitoba	2.4	4.6	3.2	3.1	3.0	3.9
Saskatchewan	2.9	4.4	4.2	3.6	-	3.1
Alberta	5.0	5.2	4.1	3.5	3.4	3.3
British Columbia	3.2	2.2	-	2.3	1.5	2.9
Territories	3.1	3.0	3.1	-	2.5	-
Multiprovince	-	-	-	-	-	-
Federal	3.1	2.9	3.4	2.8	2.6	3.2
PRIVATE SECTOR						
Canada	3.0	2.6	3.5	2.4	0.7	2.4
Atlantic	3.3	2.7	0.5	2.8	3.5	-
Newfoundland and Labrador	-	3.0	-	2.7	-	-
Prince Edward Island	-	-	-	3.6	-	-
Nova Scotia	3.3	4.0	-	-	3.1	-
New Brunswick	3.0	1.4	0.5	-	3.8	-
Quebec	2.8	2.5	1.7	2.2	2.9	2.7
Ontario	2.8	3.2	4.1	2.7	2.4	2.3
Prairies	4.9	1.6	1.8	3.8	1.1	-
Manitoba	2.5	1.3	-	-	0.3	-
Saskatchewan	3.3	1.6	1.8	-	2.6	-
Alberta	5.5	2.3	-	3.8	1.1	-
British Columbia	1.7	1.4	2.0	-	1.7	2.0
Territories	-	-	-	-	-	-
Multiprovince	3.0	4.3	-	-	2.8	2.0
Federal	2.5	2.8	3.1	1.8	-0.4	2.5

Table 5

**Major Wage Settlements—Industry Division
by Year and Quarter**

			2002–2003			
	2001	2002	4	1	2	3
All Industries						
Number of Agreements	428	81	81	87	133	44
Number of Employees	992,630	137,380	137,380	107,650	239,200	125,110
Duration in Months	33.4	31.9	31.9	31.3	32.0	40.9
% Wage Adjustment	3.2	3.3	3.3	2.8	2.6	3.2
Primary Industries						
Number of Agreements	6	-	-	1	1	-
Number of Employees	6,350	-	-	680	730	-
Duration in Months	43.1	-	-	36.0	36.0	-
% Wage Adjustment	2.7	-	-	1.5	3.8	-
Utilities						
Number of Agreements	14	4	4	2	7	-
Number of Employees	22,290	2,550	2,550	1,630	19,620	-
Duration in Months	35.5	33.2	33.2	24.0	32.8	-
% Wage Adjustment	2.5	3.4	3.4	3.9	2.2	-
Construction						
Number of Agreements	65	-	-	-	2	1
Number of Employees	194,070	-	-	-	1,110	800
Duration in Months	35.2	-	-	-	37.4	60.0
% Wage Adjustment	3.2	-	-	-	2.4	2.0
Manufacturing						
Number of Agreements	51	13	13	13	13	6
Number of Employees	45,420	30,920	30,920	13,520	10,900	6,790
Duration in Months	40.1	37.9	37.9	36.2	43.5	45.5
% Wage Adjustment	2.6	4.0	4.0	2.4	2.4	2.3
Wholesale and Retail Trade						
Number of Agreements	7	1	1	-	6	2
Number of Employees	5,580	1,200	1,200	-	12,280	1,350
Duration in Months	51.9	36.0	36.0	-	53.1	60.6
% Wage Adjustment	1.6	1.8	1.8	-	1.0	3.0

Table 5 (continued)

**Major Wage Settlements—Industry Division
by Year and Quarter**

	2001	2002	2002–2003			
			4	1	2	3
Transportation						
Number of Agreements	29	12	3	7	5	6
Number of Employees	41,650	29,680	9,800	9,110	37,110	57,080
Duration in Months	37.9	32.5	23.5	43.6	39.6	47.6
% Wage Adjustment	2.8	2.9	3.2	2.5	0.3	2.9
Information and Culture						
Number of Agreements	7	7	-	3	3	1
Number of Employees	10,080	19,610	-	4,120	3,550	700
Duration in Months	37.4	35.8	-	40.0	42.1	24.0
% Wage Adjustment	3.2	3.0	-	1.4	2.9	3.0
Finance and Professional Services						
Number of Agreements	13	8	4	1	2	2
Number of Employees	15,550	12,560	2,540	1,180	1,320	2,430
Duration in Months	37.0	55.2	50.9	36.0	41.3	29.7
% Wage Adjustment	2.2	2.1	3.5	2.7	2.0	2.5
Education, Health and Social Services						
Number of Agreements	170	177	40	51	83	12
Number of Employees	404,710	502,020	54,190	68,610	118,830	24,240
Duration in Months	30.7	23.3	26.9	28.0	24.2	24.8
% Wage Adjustment	3.5	3.0	3.4	2.9	3.4	4.3
Entertainment and Hospitality						
Number of Agreements	4	13	2	3	1	1
Number of Employees	6,350	11,300	1,500	3,010	520	1,240
Duration in Months	36.0	43.9	43.6	36.0	36.0	48.0
% Wage Adjustment	4.0	2.4	2.2	3.3	3.3	1.8
Public Administration						
Number of Agreements	62	55	14	6	10	13
Number of Employees	240,580	230,840	34,680	5,790	33,230	30,480
Duration in Months	33.1	30.2	34.6	31.9	37.5	39.9
% Wage Adjustment	3.1	2.6	2.9	2.7	2.8	3.4

Table 6

**Major Wage Settlements—Public Sector Breakdown
by Year and Quarter**

			2002–2003			
	2001	2002	4	1	2	3
Federal Administration						
Number of Agreements	17	2	2	-	1	3
Number of Employees	131,490	3,090	3,090	-	10,500	10,150
Duration in Months	34.1	33.9	33.9	-	32.0	34.5
% Wage Adjustment	3.0	3.4	3.4	-	2.4	3.8
Federal Crown Corporations						
Number of Agreements	7	-	-	1	2	2
Number of Employees	9,080	-	-	1,770	8,030	48,700
Duration in Months	36.7	-	-	9.0	43.8	47.7
% Wage Adjustment	3.7	-	-	2.5	2.9	3.0
Provincial Administration						
Number of Agreements	26	3	3	6	3	-
Number of Employees	86,200	3,760	3,760	9,740	8,380	-
Duration in Months	35.5	27.2	27.2	34.2	35.0	-
% Wage Adjustment	3.5	2.4	2.4	2.9	3.8	-
Local Administration						
Number of Agreements	28	12	12	5	9	14
Number of Employees	38,300	29,550	29,550	5,760	17,740	27,470
Duration in Months	27.6	35.4	35.4	34.7	41.5	41.9
% Wage Adjustment	2.6	3.0	3.0	2.9	2.7	2.9
Education, Health and Welfare						
Number of Agreements	168	39	39	50	82	12
Number of Employees	402,120	50,690	50,690	63,110	118,130	24,240
Duration in Months	30.4	27.5	27.5	27.4	24.2	24.8
% Wage Adjustment	3.5	3.5	3.5	2.9	3.4	4.3
Public Utilities						
Number of Agreements	13	4	4	1	5	-
Number of Employees	24,740	2,550	2,550	780	18,250	-
Duration in Months	37.4	33.2	33.2	24.0	34.0	-
% Wage Adjustment	2.8	3.4	3.4	4.0	2.2	-

Table 7

**Selected Economic Indicators
by Year and Quarter**

	2001	2002	2002–2003			
			4	1	2	3
Wage Adjustment (%)						
Ratified Agreements	3.2	2.8	3.3	2.8	2.6	3.2
Public Sector	3.3	2.9	3.3	2.9	3.2	3.3
Private Sector	3.0	2.6	3.5	2.4	0.7	2.4
Wage Adjustment (%)						
Agreements in Force	2.8	3.0	2.9	2.6	2.7	2.5
Public Sector	2.9	3.2	3.1	2.6	2.8	2.6
Private Sector	2.6	2.7	2.5	2.6	2.5	2.3
† Consumer Price Index						
Percentage Change ¹	2.6	2.2	3.8	4.5	2.8	2.1
† GDP² at Basic Prices³						
Percentage Change ¹	1.7	3.2	4.0	3.4	1.9	1.5
‡ Labour Productivity Growth (%)	0.8	1.0	0.1	-0.6	-0.9	-0.6
‡ Unit Labour Cost (%)	2.6	1.5	2.2	2.2	2.6	2.4
† Unemployment Rate³ (%)	7.2	7.7	7.6	7.4	7.7	7.9
† Employment³ (000's)	15,007	15,412	15,604	15,689	15,706	15,723
Percentage Change ¹	1.1	2.2	3.4	3.2	2.3	1.5
† Average Weekly Earnings³	\$667.37	\$681.02	\$687.02	\$686.19	\$687.73	\$689.66
Percentage Change ¹	1.8	2.0	2.1	1.5	1.3	1.1
† Average Hourly Earnings	\$16.78	\$17.08	\$17.02	\$17.04	\$17.14	\$17.22
Percentage Change ¹	1.8	1.8	0.1	-0.6	0.1	1.0

¹ Percentage change from the same period of the previous year.

² GDP—Gross domestic product at factor cost (1997) prices.

³ Seasonally adjusted data.

† Statistics Canada.

‡ Department of Finance Canada.

TECHNICAL NOTES

The information in this report is produced from collective agreement settlements in Canada which cover 500 or more employees in all industries. A few settlements are excluded where the basis of payment is on a piece/mileage rate basis.

The construction industry is excluded prior to 1983.

The Base Rate

The base rate is the lowest paid classification used for qualified employees in the bargaining unit. In most instances, the base rate is the rate of pay for an unskilled or semi-skilled classification of workers. However, this is not the case in contracts covering only skilled workers and professional employees.

As only the base rate in a contract is used, the resulting data on percentage change do not necessarily reflect the average wage change for all employees in the bargaining unit. For example, where an across-the-board increase is negotiated for all classifications in cents per hour (or other money terms), measurement on the base rate produces higher results than measurement on any higher rate, including the average rate. Where varying percentage or money increases are negotiated for different classifications, measurement on the base rate may produce results that are higher or lower than measurement on the average rate. Where an across-the-board increase is negotiated for all classifications in percentage terms, measurement on the base rate produces results identical to measurement on any other rate, including the average rate. It should be noted that information on the average rate for all employees in a bargaining unit is not available.

Effective Wage Increase

The effective wage increase is the increase in rates of pay including estimated **cost-of-living allowance (COLA)** payments. Estimates of the yield of COLA clauses are obtained by quantifying

the characteristics of these clauses in each agreement and applying a combination of actual Consumer Price Index (CPI) increases available to date plus a specified projected inflation rate for the remainder of the contract duration. In succeeding quarters, these estimates are revised using actual CPI values as they become available.

In the current report, an **inflation projection of 2.0 per cent** has been used when the actual rate is unknown. This figure is based on a rounded average of inflation forecasts and is intended for illustrative purposes only and does not constitute an official forecast by Human Resources Development Canada. The use of different inflation rate scenarios could result in varying settlement increases. The inflation projection used will be revised periodically to reflect prevailing economic conditions.

By including reasonable estimates of future payments under COLA clauses, the effective wage increase concept facilitates an accurate comparison of agreements with and without COLA and permits the aggregation of all agreements to yield an improved measure of wage settlements.

Public and Private Sectors

The principal unit of observation is the collective bargaining unit; however, the designation for inclusion in the public sector is by reference to characteristics of the employer with whom a bargaining unit negotiates. Reference to the employer characteristics makes the directives consistent with Statistics Canada's use of "institutional units" or "entities."

While the criteria relate to the classification of the public sector only, *the private sector is defined by exclusion.*

Public sector bargaining units negotiate wages or other working conditions with an employer who is part of, or an agent of, a government or a government business enterprise. The distinction between the two

is whether the activity engaged in is "non-commercial" (Government) or "commercial" (Government Business Enterprise).

Government (Non-Commercial)

The government component comprises all non-commercial entities controlled by governments and mainly financed out of general taxation or other public funds. These entities provide goods and/or services free or at non-market prices (not having a view to profit).

Sub-sectors of the government component are identified below:

(1) Federal Government

Collective bargaining in the federal government component is conducted under the *Public Service Staff Relations Act* (Parts 1 and 2), and the *Parliamentary Employment and Staff Relations Act*.

(2) Provincial and territorial governments

- (a) provincial and territorial government administration;
- (b) health, education and social services agencies or institutions:
 - (i) public hospitals,
 - (ii) provincial residential care facilities,
 - (iii) universities,
 - (iv) colleges, vocational and trade institutions,
 - (v) social services business enterprise,
 - (vi) provincial elementary and secondary schools.

(3) Local Government Administration

- (a) local government organizations such as: municipalities, boards, commissions;
- (b) school boards;
- (c) social services: establishments at the local level primarily engaged in providing basic domiciliary care only, such as homes for the aged, blind or senile, boarding houses for the aged, day nurseries, shelters, etc.

Government Business Enterprise (Commercial)

The commercial component of the public sector is divided into three broad sub-groupings, based on degree of governmental control, as follows:

(1) Direct Control

A commercial enterprise is directly controlled by a government if one of the following conditions is met:

- (a) a government holds more than 50 per cent of its voting equity, directly;
- (b) a government has irrevocable options or the right to acquire shares, or convertible debt or equity, exercisable at the discretion of that government.

(2) Effective Control

A commercial enterprise is effectively controlled by a government if one of the following conditions is met:

- (a) the government holds a significant voting ownership in a public enterprise, where "significant" is understood as:
 - (i) the holding is the largest block of voting equity; and
 - (ii) the holding exceeds 33.3 per cent of the voting equity; and
 - (iii) the block is larger than the combined percentage of the next two largest blocks;
- (b) the commercial enterprise declares that it is effectively controlled by a government;
- (c) there exists a method or variety of methods (e.g. significant voting ownership of the enterprise, technological agreements, supply controls or contracts, management contracts, interlocking directorships, etc.)

(3) Indirect Control

A business enterprise is indirectly controlled by a government if that government directly or effectively controls a government business enterprise, which in turn directly or effectively controls that enterprise.

WORK STOPPAGES

Workplace Information Directorate
Labour Program

Third Quarter of 2003 (500 or More Employees)

There were six work stoppages involving 500 or more employees during the third quarter of 2003 in Canada. Three major work stoppages accounted for 93 per cent of the person-days not worked. The strike involving INCO Limited and United Steelworkers of America engaged 139,870 person-days not worked which represents 52.5 per cent. In Quebec, the work stoppage of 950 employees of La Brasserie Labatt Limitée represented 55,100

person-days not worked and accounted for 20.5 per cent of the total person-days not worked in the third quarter. Finally, the work stoppage between the Corporation des concessionnaires d'automobiles de la région de Québec and the Fédération démocratique de la métallurgie, des mines et des produits chimiques involving 850 employees accounted for 53,550 person-days not worked which represented 20 per cent of the total person-days not worked.

Table 1
Major Work Stoppages by Jurisdiction,
Third Quarter 2003

Jurisdiction	Stoppages	Employees Involved	Person-Days Not Worked
Newfoundland and Labrador	-	-	-
Prince Edward Island	-	-	-
Nova Scotia	-	-	-
New Brunswick	-	-	-
Quebec	3	5,800	112,650
Ontario	1	3,319	139,870
Manitoba	-	-	-
Saskatchewan	-	-	-
Alberta	-	-	-
British Columbia	1	4,700	4,700
Territories	-	-	-
Multiprovince	-	-	-
Total Provinces	5	13,819	257,220
Canada Labour Code-Part I	1	550	9,350
Federal Administration	-	-	-
Federal Total	1	550	9,350
Total	6	14,369	266,570

Source: Workplace Information Directorate.

Table 2
Major Work Stoppages by Industry,
Third Quarter 2003

Industries	Stoppages	Employees Involved	Person-Days Not Worked
Primary Industries	1	3,319	139,870
Utilities	-	-	-
Construction	-	-	-
Manufacturing	1	950	55,100
Wholesale and Retail Trade	2	5,550	58,250
Transportation	-	-	-
Information and Culture	-	-	-
Finance and Professional Services	1	550	9,350
Education, Health and Social Services	1	4,000	4,000
Entertainment and Hospitality	-	-	-
Public Administration	-	-	-
Various Industries	-	-	-
Total	6	14,369	266,570

Source: Workplace Information Directorate.

Second Quarter of 2003 (One or More Employees)

Table 3

**All Work Stoppages by Jurisdiction,
Second Quarter 2003**

Cumulative to June 30, 2003

Jurisdiction	Stoppages	Employees Involved	Person-Days Not Worked
Newfoundland and Labrador	2	175	1,370
Prince Edward Island	1	5	544
Nova Scotia	2	580	14,075
New Brunswick	-	-	-
Quebec	62	10,360	387,760
Ontario	66	20,315	277,030
Manitoba	6	1,347	11,900
Saskatchewan	3	154	1,035
Alberta	1	20	1,280
British Columbia	5	4,456	63,590
Territories	-	-	-
Multiprovince	-	-	-
Total Provinces	148	37,412	758,584
Canada Labour Code-Part I 16		5,687	205,810
Federal Administration	1	35	70
Federal Total	17	5,722	205,880
Total	165	43,134	964,464

Source: Workplace Information Directorate.

Table 4

**All Work Stoppages by Industry,
Second Quarter 2003**

Cumulative to June 30, 2003

Industries	Stoppages	Employees Involved	Person-Days Not Worked
Primary Industries	7	4,228	102,600
Utilities	1	37	790
Construction	-	-	-
Manufacturing	62	9,726	240,540
Wholesale and Retail Trade	18	2,966	143,065
Transportation	14	3,217	26,070
Information and Culture	7	2,362	181,230
Finance and Professional Services	4	234	3,910
Education, Health and Social Services	30	18,089	246,059
Entertainment and Hospitality	11	1,579	13,570
Public Administration	11	696	6,630
Various Industries	-	-	-
Total	165	43,134	964,464

Source: Workplace Information Directorate.

*A weekly listing of major work stoppages in Canada and a full chronological perspective
are available on the Workplace Information Directorate Website at*

<http://labour-travail.hrdc-drhc.gc.ca/doc/wid-dimt/eng/>

All Work Stoppages

Table 5

A Chronological Perspective of All Work Stoppages

Period	Number Beginning Month or Year	In Existence During Year or Month*			Percentage of Estimated Working Time
		Total Number	Employees Involved	Person-days Not Worked	
1994	312	374	80,856	1,606,580	0.06
1995	282	328	149,159	1,583,070	0.05
1996	297	330	281,438	3,351,240	0.11
1997	229	284	257,664	3,610,210	0.12
1998	341	381	244,402	2,443,870	0.08
1999	358	413	158,415	2,442,580	0.08
2000	321	379	143,456	1,656,790	0.05
2001	324	381	220,499	2,198,870	0.07
2002	250	293	168,640	3,025,657	0.09
2003	120	165	43,134	964,464	0.06
2002					
July	35	79	30,324	255,341	0.09
August	22	61	11,604	154,409	0.05
September	19	64	16,064	165,090	0.06
October	31	80	17,237	199,460	0.07
November	17	72	12,945	145,839	0.05
December	12	56	10,803	136,150	0.05
2003					
January	8	54	11,632	143,890	0.05
February	16	48	15,754	143,430	0.05
March	26	62	15,158	188,960	0.07
April	27	66	12,018	174,607	0.06
May	20	60	16,056	146,390	0.05
June	22	61	13,833	167,187	0.06

* Refers to work stoppages which began during the year or month as well as those carried over from the previous year or month.

Source: Workplace Information Directorate.

TECHNICAL NOTES

Data on work stoppages collected by the Workplace Information Directorate of the Labour Program covers strikes and lockouts which amount to 10 or more person-days lost.

A strike is a concerted work stoppage by a group of employees which is done in order to bring about a change in an employer's position, and it occurs during the negotiating process. A legal strike is one that respects all the conditions mandated by law, most notably that the strike is taking place during negotiations. A lockout occurs when work is suspended by the employer or a group of employers in order to pressure employees to change their position, and a lockout must also occur during the negotiating process.

Developments leading to work stoppages are sometimes too complex to make it practicable to distinguish between strikes on the one hand and lockouts on the other.

The major characteristics of work stoppages on which information is gathered are:

Employer—Firm or firms employing the employees reported on strike or locked out.

Location—Location of the plant or premises at which the work stoppage occurred.

Industry—Industry of employer according to the North American Industry Classification System (1997).

Union—The workers' organization(s) directly involved or concerned in the dispute that led to work stoppage.

Workers Involved—The total number, or approximate total number, of employees reported on strike or locked out, whether or not they all belonged to

the union. Where the number of employees involved varied in the course of the stoppage, the maximum number is used in tabulating annual or other totals. (Where a stoppage commenced in a previous year, the maximum number during the whole stoppage is the number used). Monthly totals are similarly based on the highest figures but allowance is made for changes reported in stoppages extending over two or more months. The total number of employees shown may include the same employees more than once if they are involved in more than one work stoppage during the year (or other reference period). Employees indirectly affected, such as those laid off as a result of a work stoppage, are not included in the data on employees involved.

Starting Date—The day on which the work stoppage began.

Termination Date—The termination date is the day on which work was resumed. Some work stoppages are never formally settled, and this presents statistical difficulties. In such a case, the stoppage is usually considered terminated for statistical purposes, at the date by which it was established that two-thirds or more of the employees involved had either returned to work, or had found work with other employers; or the date by which it was reported that the operations affected by the work stoppage would not be resumed.

Duration—The duration of each stoppage is calculated in terms of working days, including the starting date and all subsequent normal working days up to the termination date. The days counted as working days are those on which the establishment involved would normally be in operation (five days per week).

Duration in Person-Days—Duration in working days multiplied by the number of employees involved. For work stoppages involving establishments in which the number of weekly working days

(see Duration above) exceeds the work week of individual employees, the duration in person-days is adjusted by the appropriate ratio. The data on duration of work stoppages in person-days are provided to facilitate comparisons of work stoppages in terms of a common denominator; they are not intended as a measure of the loss of production time to the economy. The expression "time loss" is occasionally used instead of "duration in person-days." The term most commonly used is person-days not worked due to the duration in person-days of all work stoppages in a year is also shown as a percentage of estimated working time based on estimates of the number of non-agricultural paid employees in Canada obtained from the *Labour Force Survey* of Statistics Canada.

Jurisdiction—Statistics on work stoppages are also classified according to jurisdiction. This is done on the basis of the government and those businesses covered by Part 1 of the *Canadian Labour Code* whose industrial relations statistics are applicable to the establishment involved in the dispute. (The tabulation of statistics on work stoppages by jurisdiction corresponds to a tabulation by province, except where the Federal jurisdiction is involved.)

The data reflect all work stoppages that have come to the notice of Workplace Information Directorate, and meet the criteria defined above, e.g. minimum person-days. The methods used to secure this information are believed to be adequate to preclude the possibility of major omissions.

Source: Workplace Information Directorate, Labour Program.

Selected Provisions in Collective Agreements

Marie-Ève Bédard

Workplace Information Directorate
Labour Program

Direct Compensation in the Workplace

Introduction

Total compensation is defined as employees' contribution to the organization in order to determine their direct and indirect monetary and non-monetary compensation, in accordance with existing legislation and the organization's financial capability (Dolan et al. 2002). It includes two forms of rewards, intrinsic, or non-monetary rewards; and extrinsic, or monetary rewards.

According to Dolan et al. (2002), compensation is an important aspect of human resource management because of the many objectives it is geared to achieving; namely, attracting potential candidates, keeping competent employees, managing salaries in accordance with existing legislation, facilitating the attainment of strategic objectives, gaining a competitive advantage through control of labour costs, and, finally, motivating employees. Indeed, total compensation typically strengthens employee motivation when it is linked to performance by way of productivity incentives.

In order to profit from the advantages offered by effective compensation policies, an organization must consider the many mitigating factors that influence these policies, while taking into account the market within which it operates. The main factors are linked to business strategy, labour pressures, the prestige and habits evolving out of the organizational culture in place, other human resource management

policies and practices within the organization, the capacity to pay, as well as certain compensating items such as the possibility of promotion, of professional development and upgrading, as well as the atmosphere in the workplace (Thériault 1991).

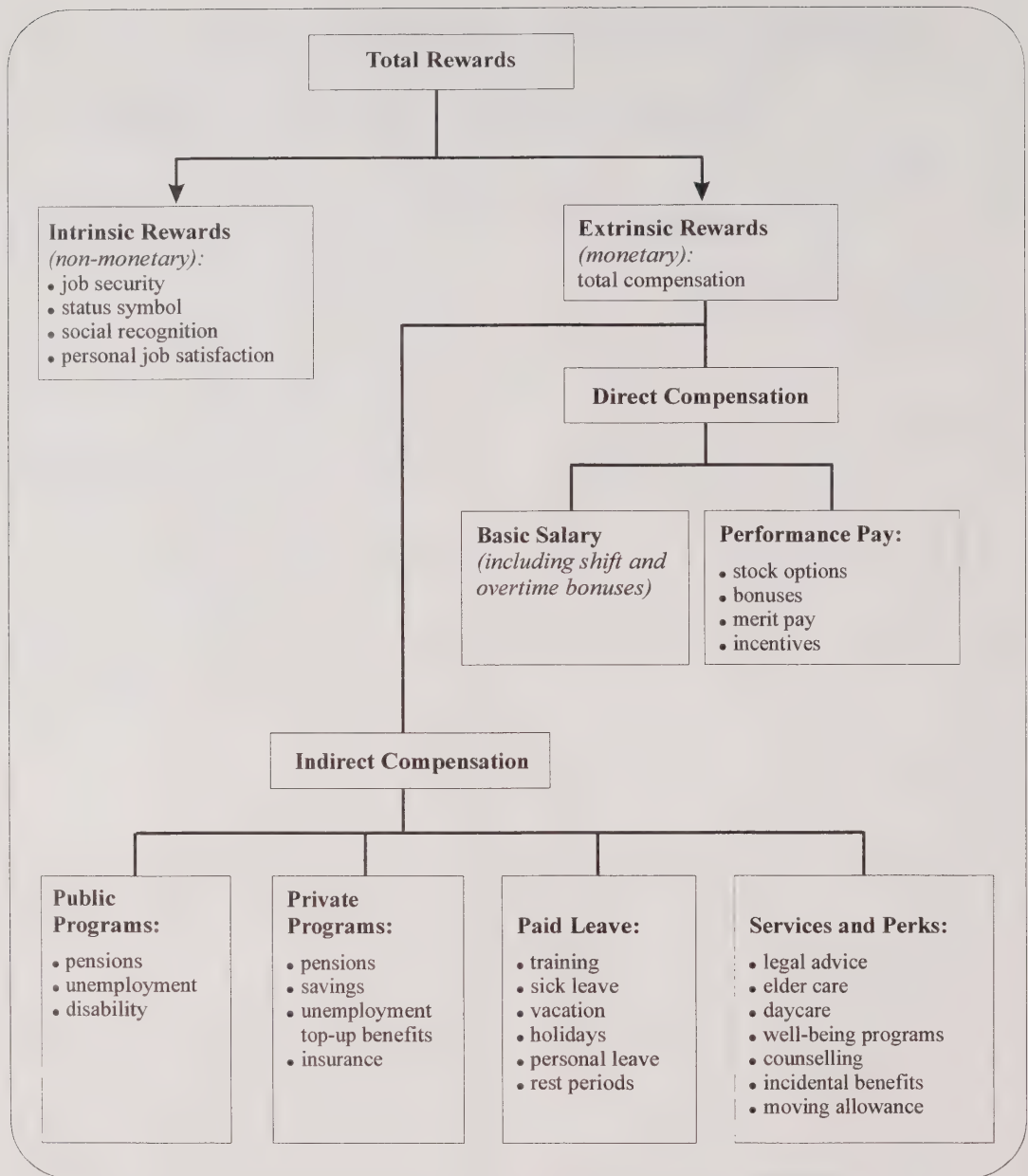
This article deals only with direct compensation of employees in the workplace. It discusses basic theoretical concepts and examples derived from collective agreements.

Direct Compensation

A form of extrinsic reward, direct compensation includes basic salary of the employee as well as performance pay, which may be collective or individual.

The implementation of a compensation system within the workplace should have three direct consequences on the workplace. It should have a positive impact on the behaviour of employees in a broad sense; it should focus employees' efforts on products and services offered to clients; and it should increase cooperation within the work environment (Wilson 1994).

According to Thériault and St-Onge (2000), the Société conseil Mercer conducted a study in 1998 with 545 organizations covering some 1,850,000 unionized and non-unionized employees. This study



Source: Dolan, Saba, Jackson and Schuler (2002). Translated and reproduced with permission.

showed that, for at least one classification of personnel, 36 per cent have an individual performance pay plan; 30 per cent have a company performance

plan; 16 per cent have a profit-sharing plan; and 10 per cent have a team bonus plan. These results reveal the interest organizations have for the various incentive pay programs.

Group Incentive Pay Plan

In organizations where many positions are inter-dependent, making individual performance measurement that much more difficult to put into practice, collective incentive plans are proving to be very useful. Many conditions must, however, be satisfied in order to ensure their success. Group performance measures (standards and objectives) must be implemented; group members must be convinced that excellent performance can lead to the attainment of stated objectives; and the organizational culture must promote collaboration and cooperation within the group (Dolan and Schuler 1995).

The results of the annual *Compensation Planning Outlook* for 2003, conducted by the Conference Board of Canada with 363 companies, demonstrate that performance incentive pay plans are the most widely used, with 81 per cent of organizations having said they relied on variable pay plans. Profit-sharing plans came in second (18 per cent), while team-based incentive plans came in third (10 per cent). Lump-sum payments and gain sharing plans were less common among the companies that responded to the survey.

In Canada, of the 1,147 current collective agreements that have been compiled by the Workplace Information Directorate, Labour Program,¹ 98 agreements (8.5 per cent), covering 108,105 employees, contained at least one provision linked to performance pay, such as a productivity bonus, profit-sharing, gain sharing, market price trigger bonus, and employee ownership.

Productivity Bonus

Provisions related to productivity bonuses are presently included in 42 collective agreements covering a total of 45,490 workers.

Such productivity bonuses are directly linked to the quantity of work performed by employees and are generally spread out over the period during which this quantity was produced (HRDC 2002).

*Union Gas Limited and Environmental
Liaison and Paperwork Unitarian Council
2000-2002, 01E410%*

14.01 Incentive Plan

Effective January 1, 2000, employees will be eligible to participate in an Incentive Plan. This plan will be based upon the Asset Operations District/Departmental targets that are established by Union Gas Limited, as appropriate, for the Incentive Plan that applies to Asset Operations District/Departmental Managers of the Company. The rules, administration and payout formula of the Company's Short Term Incentive Plan will apply to this Incentive Plan.

The Incentive Plan for employees will be calculated on a sliding scale based on the achievement of the Asset Operations District/Departmental targets. The sliding scale starts at an achievement level of fifty (50 %) percent each calendar year.

Achievement below fifty percent (50 %) in any calendar year results in no payout under this Incentive Plan.

At one hundred percent (100 %) achievement level, the Incentive Plan payment will be:

- Two percent (2.0 %) of the employee's base wages for calendar 2000;
- Two percent (2.0 %) of the employee's base wages for calendar 2001;

¹ This analysis is based on small (100 to 499 employees) and medium (500 to 1,999 employees) bargaining units that are part of the stratified sample as well as all large bargaining units (2,000 or more employees), which the Workplace Information Directorate surveys.

- Two and one-half percent (2.5 %) of the employee's base wages for calendar 2002.

At the achievement level of one hundred and fifty percent (150 %) or more, the maximum Incentive Plan payment will be:

- Three percent (3.0 %) of the employee's base wages for calendar 2000;
- Three percent (3.0 %) of the employee's base wages for calendar 2001;
- Three and three quarters percent (3.75 %) of the employee's base wages for calendar 2002.

Any applicable payment under this Incentive Plan will be paid by March 31, of the following calendar year.

Canadian Union of Mine and Allied Workers of America, Local 9297, 2000-2001, 1006602

Productivity bonus

25.01 a) The Company agrees to continue payment of productivity bonuses for its underground workers and those currently covered.

b) The Company will post the conditions governing payouts for work done under contract by underground workers and will post, at the end of each contract period, the calculation and results of earnings from the productivity bonus for each worker.

c) In the event an employee believes a calculation error has been committed with respect to his or her earnings from the productivity bonus, he or she may obtain specific information and clarification from the person responsible for calculating the bonus. Should the explanation given not be satisfactory, he or she may bring the matter up with the mine Director. If the explanation provided at this point is still not satisfactory, the employee may present the issue

directly at the second level of the grievance procedure.

d) The Company will post its productivity bonus rates and provide a copy of said rates to the Union. This will also be the case if the rates need to be revised.

e) Prior to any change to productivity bonus rates or amendment to existing ones, these modifications and amendments will be discussed with the Union.

Based on a first estimate and then a final calculation, the productivity bonus will be paid out twice a month but only calculated on a monthly basis. These calculations will cover 15-day periods so that one such period does not affect the next. This will be the case immediately upon signing this collective agreement.

Profit-Sharing

Profit-sharing is included in 30 collective agreements covering some 34,925 unionized employees.

By definition, profit-sharing occurs when a company shares part of its profits (once they reach a previously determined level) with its employees, either through cash payouts or share ownership. Many large corporations use profit-sharing payouts to employees as a means of financing retirement plan contributions.

There exist two main groups of profit-sharing plans, cash bonus plans and dividend-based plans. The first implies regular remission of a portion of profits, while the second is characterized by the establishment of the percentage of profits given as bonus proportional to the dividends paid out to shareholders (Dolan et al. 2002).

The bonus amount, determined by the total performance of the company, is greatly influenced by factors such as the economy in general, and financing and procurement costs (Thériault 1991).

1. The Company agrees to establish a Profit-Sharing Plan with effect as of January 1, 1994. The Plan, which shall not be amended without agreement of the Unions, includes all employees in the Flin Flon/Snow Lake operations, with the exception of executive officers of the Company and all others who participate in any management incentive plans other than this Profit-Sharing Plan.
2. At the end of each calendar year, ten percent (10%) of the Company's "After Tax Earnings (Loss)" if positive, as defined in point 3 of this letter, shall be distributed on the first payday following the issue of the Profit-Sharing Plan Statement to the hourly and salaried employees on the following basis:
 - a) Hourly and salaried employees who are employed for the full year shall receive a full and equal share.
 - b) Employees who retire or are laid off during the year shall receive a partial share on a quarterly pro rata basis.
 - c) Employees who are hired or are recalled during the year and are on the payroll at year-end shall receive a partial share on a quarterly pro rata basis.

It is understood between the parties that employees who quit or are terminated during the year will not be afforded profit-sharing. It is further understood that quarterly pro rata basis shall mean an eligible employee who was on the payroll during any portion of a quarter will be afforded profit sharing as if he worked that full quarter.

By way of example, if an employee retires in August, he would receive three (3) quarters of

the profit-sharing payment afforded an employee who was on the payroll for a full year.

Any negative "After Tax Earnings (Loss)" for the calendar year shall be eliminated and not carried forward to future years.

3. For the purposes of this Profit-Sharing Plan "After Tax Earnings (Loss)" shall comprise "Net Income (Loss)" calculated in accordance with Anglo American plc's accounting policies and International Accounting Standards with the following exclusions:
 - (i) Profit-Sharing Plan costs
 - (ii) Provisions for deferred income tax
 - (iii) The Company's portion of any gains which result in payments under a Gain Sharing Plan during the year including the annual global reserve payout.
4. There is no cap on the size of the Profit-Sharing Plan.
5. Verification
 - (i) Upon release of Anglo American plc's annual results, the Company shall provide the Unions with an audited Profit-Sharing Plan statement for that fiscal period. Such statement shall include verification of the exclusions per point 3 (i), (ii) and (iii).

Cartons St-Laurent Inc., La Tuque Plant/
and Communications, Energy and
Paperworkers Union of Canada Local
8362 and UAW Local 2001-2004 Arbitration

Profit-Sharing Plan

Cartons St-Laurent inc. agrees that, conditional to obtaining ratification of the

amendments sought for the operation of the La Tuque plant for the duration of the 7-year social contract, it will grant all eligible employees five (5) per cent of before tax plant profits.

The most recent forecast indicates that twelve (12) million dollars will be granted employees during this 7-year period.

These monies will be given to plant employees the month following the agreement's anniversary date.

Eligibility for this program will be based on the same criteria as that for the productivity incentive program.

Gain Sharing

Twenty bargaining units have included productivity gain sharing provisions in their respective collective agreements, covering some 30,740 unionized employees.

Gain sharing plans are based on the existing cooperation between individuals working within an organization, in addition to bonuses set according to savings secured with respect to labour. These are measured by comparison between payroll expenditures and the value of production (in sales) on a monthly or semimonthly basis (Dolan et al. 2002).

Productivity gain sharing plans may be divided into three broad categories, namely Scanlon, Rucker and Improshare plans. While the first two rely heavily on worker participation, Improshare plans are based on measures of actual production. Scanlon plans are used when an organization wishes to increase productivity by changing work methods rather than by increasing workers' efforts. Although managers may offer suggestions in order to increase efficiency, they award bonuses according to productivity gains achieved after changes to the organization of work.

Rucker plans adhere to a management philosophy similar to that of Scanlon plans and calculate bonuses based on a detailed study of the organization's financial statements.

Finally, Improshare plans are generally used when the organization is anticipating a maximum 60 per cent growth in productivity. They are based neither on worker participation nor the measure of productivity, but rather on measures of actual production (Thériault 1991).

Waterville Tool and Limited Steelworkers of America, Local 696, 1999-2002, 0071107

Horizontal Increase

The Company intends to share, during fiscal years 1999, 2000, and 2001, part of improvements exceeding the operating budget (excluding any profit caused by outside factors (e.g., volume of sales, higher than anticipated exchange rate,)) to a maximum of \$0.10 per regular hour worked for each team member working from August 1st, 1999 to July 31st, 2000, from August 1st, 2000 to July 31st, 2001, and from August 1st, 2001 to July 31st, 2002. Shall be considered regular hours all regular paid hours, paid holidays, vacation, hours subsequent to a workplace accident or on precautionary cessation, and maternity leave [sic].

Canadian Pacific Railway and St. Lawrence and Hudson Railway Company and International Brotherhood of Electrical Workers System Council No. 31, 1999-2000, 0771900

It is the intention of the parties to attempt to jointly develop gain sharing arrangement(s) to be effective for the year 1998. The savings generated through gain sharing will be limited to a maximum 4% lump-sum payout based on a 20%/80% split (employee/employer). Effective January 1, 2000, the savings generated through gain sharing will be based on a 40%/60% split

(employee/employer) ratio with awards limited to 4% of the previous years earnings for the purpose of gain share savings generated in the year 2000. The gain sharing will be based on measurable goals and the lump sum payments will not be subject to the Pension Plan.

Market Price Trigger Bonus

There are 15,500 workers covered by eight collective agreements that contain market price trigger bonus clauses.

Minramat Con. The Ltd. and United
Steelworkers of America, Local 802,
1999-2002, 0811000

Letter of understanding

Re: Goldbonus

When the average gold price for a quarter falls within a specified range, each employee shall be entitled to receive a payout equal to the applicable percentage times their wage rate times all regular hours worked within that quarter.

Gold Price Cumulative Payment

\$US 339.99 or less	0 %
\$US 340.00 to \$US 374.99	2 %
\$US 375.00 to \$US 399.99	4 %
\$US 400.00 to \$US 449.99	6 %
\$US 450.00 +	10 %

A quarter is defined as any three consecutive months, however no month may be included in more than one quarter in any calendar year. The average gold price will be determined from the posted London p.m. gold fix, in US dollars.

INCO Limited and United Steelworkers of
America, Local 1150, 2000-2002, 0917000

The Nickel Price Bonus will be based on the average realized price per pound of nickel, in US dollars, including intermediates, published

by the Company in its Quarterly Reports for periods ending March 31st, June 30th, September 30th and December 31st (hereinafter called the Average Realized Price).

If the Average Realized Price for any Quarter in which the Company has net earnings is \$2.25 US, each employee will receive a lump-sum payment in an amount equal to the number of hours worked by him in that Quarter multiplied by ten cents Canadian. If the Average Realized Price exceeds \$2.25 US, the multiplier used to calculate the lump-sum payment will be increased by one cent Canadian for each one cent US by which the Average Realized Price exceeds \$2.25 US.

All payments will be made in the second pay period following the publication of a Quarterly Report containing an Average Realized Price of \$2.25 US or greater.

Employee Ownership

An employee ownership clause has been included in seven collective agreements covering a total of 8,290 unionized employees.

According to Phillips (2001), employee ownership programs are attractive for five main reasons. They encourage the recruitment and retention of key employees, create an owner mindset within employees, recognize and value employee contributions, increase productivity and competitiveness, and, finally, give employees the privilege of sharing in the success of the company for which they work.

There are three types of employee ownership programs, or real ownership participation plans. Within a **Share Purchase Plan**, workers may purchase equity shares in their organization, thus transferring legal ownership of shares issued by the company, for a pre-established price. An employee who owns such shares may or may not have associated rights. A **Stock Option Plan** establishes a contract between an employee and the company,

which offers the future sale of shares to the employee at a pre-established price. At this future date, if the value of the company's stock has climbed, the employee will be able to purchase reserved shares at a rebate, instantly increasing individual wealth. In cases where the shares' value has decreased, the employee does not lose because the right to purchase the shares is not exercised (Phillips 2001). Finally, **Share Grant Programs** constitute the third type of real ownership participation plan. The employer gives its employees, generally management, a certain number of shares in the company. If applicable, owners of such shares may collect dividends arising from their shares and also have voting privileges. They may not, however, sell their shares before a certain time or before the company has reached a certain performance level (Thériault 1991).

Simulated share, performance unit, and plus value plans are not really ownership participation plans. They are, however, rarely, if ever, included in collective agreements, as they are reserved for an organization's senior management ranks.

Boeing Canada Technology and International Association of Machinists and Aerospace Workers, Local Lodge No. 1542, 2000-2003, 0191807

10. Share Value Program

The Company and the Union agree to implement the Share Value Program for all eligible represented employees. The parties agree that the Company's success depends upon the ability to return long-term value to the shareholders. The intent of this incentive program is to help inform employees about what makes a business run and produces shareholder value, and to allow employees to share in the results of their efforts in increased shareholder value. The principal features of this program are as follows:

For purposes of the period covered by the parties' current agreement, the Company has established a stock investment trust to be funded with \$1 billion of common stock (based on the fair market value of Boeing stock on June 28, 1996). The investment is divided into two (2) equal parts to cover two (2) overlapping investment periods. Period (or "Fund") 1 begins July 1, 1996, and runs through June 30, 1998; Period (or "Fund") 2 begins July 1, 1996, and runs through June 30, 2000. Period (or "Fund") 3 begins July 1, 1998, and runs through June 30, 2002.

Eligible employees will receive a distribution of Boeing common stock following the end of an investment period if at the end of the period the value of the Fund exceeds the initial value increased and compounded at the annual rate of 3 per cent.

Employees will be eligible to participate in a distribution to the extent of the number of months during the investment period they were both on the active payroll and received one (1) hour of pay. The proportional distribution shall be payable in whole shares of Boeing common stock after appropriate withholding has been calculated.

Individual Performance Pay Plans

Individual performance pay plans are primarily found in organizations where employees are non-unionized; unions are reluctant to have employee bonuses determined by a single supervisor/manager, potentially jeopardizing part of the employee's salary (Conference Board of Canada 2002).

Moreover, Booth (1989) states that the philosophy behind wage plans must be in alignment with the organization's human resource policies and practices if it sets a premium on individual or collective rewards.

There are 63 collective agreements, covering 100,700 unionized employees, that contain at least one provision linked to individual variable pay, whether piecework, commission rates or based on merit.

Piecework

Provisions pertaining to piecework appear in 38 current collective agreements covering some 90,820 employees.

Programs containing this type of incentive are directly linked to employees' operational tasks, where employees receive a predetermined set rate for each unit produced. One unit may consist of goods produced (a golf ball) or operations performed by the employee (a request processed by a Customer Service Department employee) (Wilson 1994). The unit rate of pay may be established through studies of time and movement, as well as through a survey of wages (Dolan et al. 2002). This type of incentive formula is thus adopted by organizations whose objective is to increase individual employees' performance through a bonus. Currently, it is not very widely used, except within the manufacturing, clothing, textile, furniture, rubber and services industries (Thériault and St-Onge 2000).

Corner Brook Pulp and Paper Limited and Communications, Energy and Paperworkers' Union of Canada, Local 607N, 1999-2002, 0000205

ARTICLE 17 – Piecework and/or Incentive Bonus System

17.01 – The Employer reserves the right to introduce an incentive bonus and/or piecework system. However, over a pay period, such incentive system will not pay less than the CEP labourer rate.

During the probationary period, as per Clause 5.10, the above rate will apply which is 70 % of the established rate.

17.02 – Downtime shall be paid at the regular rate agreed to in this contract and will be paid for interruption to production because, when upon completion of a strip, another has not been prepared.

Additional Conditions and Comments: Communications, Energy and Paperworkers' Union of Canada, Local 607N, 1999-2002, 0000205

ARTICLE XXII – Piecework and/or Incentive Bonus System

22:01 – The Employer reserves the right to introduce incentive bonus and/or piecework systems; however, over a pay period, such incentive system will not pay less than the hourly rate.

Commission Rate

There are currently 18 collective agreements, covering 10,040 employees, that include commission rates.

Sales incentive plans relate to programs based on the payment of commissions to salespeople and to selected management classifications.

Generally, an employee receives a base salary to which is added a variable bonus, which may be a commission or a bonus linked to some result other than sales. The commission may be a percentage of sales in dollars, a percentage of gross sales profits, or a preset amount remitted for each unit sold. Using a mixed method of compensation allows managers to ensure employee loyalty and motivation while influencing behaviour, results and employee turnover. If salespeople's salary were completely commission driven, their income would be unstable and the turnover rate would rise (Thériault and St-Onge 2000).

10.03 Draft beer and telescopic arm pay

- a) In addition to the base salary appearing in article 1.01 of part 4 of this collective agreement, assistant draft beer salespeople are entitled to a commission of 14¢ per barrel sold and salespeople receive a commission of 20¢ per barrel sold. Commissions are paid directly to salespeople and assistant salespeople for all barrels actually delivered on their respective routes.
- b) An additional commission of 20¢ for the salesperson, and 14¢ for the assistant salesperson is paid for every barrel actually delivered by them in excess of twenty one thousand five hundred (21,500) barrels per fiscal year. This additional commission is paid as soon as the salesperson or assistant salesperson reaches the above-mentioned number of barrels right up to the end of the fiscal year.
- c) Notwithstanding the previous paragraphs, the parties agree to maintain the current practice concerning the commission payable to salespeople and assistant salespeople for barrels sold.
- d) If the Company decides to change the format of barrels of draft beer (50 litres), the commission paid out to salespeople and assistant salespeople will be revised in proportion to the change in volume.
- e) Under no circumstances will an amount superior to the total commission for a route be paid by the Company.

...

i) Any uncollected commission of a draft beer section salesperson or assistant salesperson on assignment with another department and any commission for barrels delivered by a route to another person with no handling are divided equally among draft beer section employees and paid out on April the first (1st) of each year.

j) It is understood that only employees classified as salespersons or assistant salespersons are entitled to the commissions set out in this section. It is also understood, moreover, that employees classified as replacements, floaters, or deliverymen of telescopic arm routes are entitled to a salary equivalent to that of bottle deliveryman.

Air Transat and Canadian Union of Public Employees, 1999-2001, 0957563

ARTICLE 27 – Commission, Duty Free and Domestic Flight Shops

Payment of the commission produced by the sale of duty free and domestic flight shop products on board is addressed to all cabin crew on active duty for at least one (1) day during each recall month.

The commission is divided equally between all cabin crew mentioned above (including cabin crew of a company on sub-contract). This 10 per cent monthly commission is based on the total monthly revenues from sales of duty free products, including sales from sub-contracts and domestic flights, less half of total losses due to handling and 100 per cent of losses of money incurred before remittance to the Company.

In order to maximize the effect of the new commission plan, the parties agree to study the previous month's sales results on a monthly basis, and to implement necessary changes in order to maximize the profitability of duty free sales.

Frequency of payment

This commission will be paid out no later than forty-five (45) days following the entitling recall month.

Merit Pay

A merit pay provision has been included in 20 collective agreements covering a total of 13,945 employees.

According to Wilson (1994), annual wage increases obtained by employees normally reflect their performance or the increase in the cost of living. Many organizations adjust wage increases in order to reflect individual performance, thus giving the best performers larger increases than employees in the average to low performance groups.

Merit pay is distinguishable by three elements. First, the progression of employees' salaries within their own pay scales is regular, and depends, in part at least, on their performance. Second, workers' wage increases are integrated into their salaries for purposes of future wage increase calculations. Third, wage increases are generally defined by employee performance evaluation results (Thériault 1991).

Atomic Energy of Canada Limited and Office and Professional Employees International Union, Local 404, 1999-2003 0539568

22.02 Administration of Ranges

(a) General

The salaries of all employees will be administered on a performance basis. Where a merit increase is given it will be a minimum of \$400 in addition to the salary range increase added to

base pay for employees who perform the job requirements satisfactorily until the employee reaches the maximum of the range.

Employees who are at the maximum of the range and who are performing the job requirements satisfactorily will receive a minimum of the salary range increase. A lump-sum merit may also be paid to employees at any point in the range.

Insurance Vice President and Assistant Vice President and Office and Professional Employees International Union, Local 404, 1999-2003 0459206

24.02 Wage increases

The employer agrees to maintain the performance pay program for 1999 only, and to grant, in the thirty (30) days following the signing of the collective agreement, retroactive to January 1st, 2000, an additional wage increase of 1.5 per cent or 3 per cent, if the employee's performance has been superior or exceptional, respectively. In cases where the increase awarded as recognition for superior or exceptional performance brings the salary beyond the maximum for the pay scale, the excess shall be paid as lump-sum in one single instalment.

Provisions pertaining to performance pay plans, be they individual or collective, are not prevalent in Canadian collective agreements. It is important, however, for organizations to keep abreast of new trends in this field because these plans can offer multiple advantages, from the recruitment to the retention of employees.

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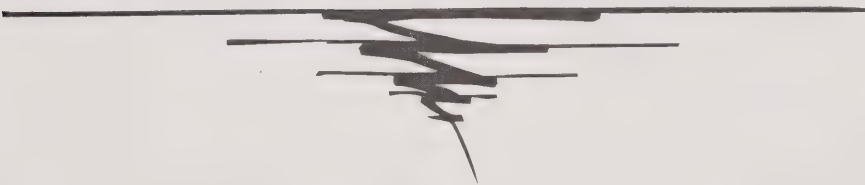
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- (0459206) Assurance Vie Desjardins-Laurentienne Inc. and Office and Professional Employees International Union, Local 57, 2000–2003.

* These collective agreements are available in their unabridged form on Negotech, a searchable labour relations database, accessible at <http://hrdc.gc.ca/labour/nego/>.

- (0639508) Atomic Energy of Canada Limited and Office and Professional Employees International Union, Local 404, 1999–2003.
- (0771906) Canadian Pacific Railway and St. Lawrence and Hudson Railway Company and International Brotherhood of Electrical Workers, System Council No. 11, 1999–2000.
- (0811904) Miramar Con Mine Ltd. and United Steelworkers of America, Local 802, 1999–2002.
- (0923803) Molson Breweries and International Brotherhood of Teamsters, Local 1999, 1999–2003.
- (0942904) Abitibi-Consolidated and Communications, Energy and Paperworkers Union of Canada, Local 60N, 1999–2003.
- (0957503) Air Transat and Canadian Union of Public Employees, 1999–2001.
- (0980804) Cartons St-Laurent inc., La Tuque Plant and Communications, Energy and Paperworkers Union of Canada, Local 530 and affiliates, 2001–2004.
- (1066602) Cambior, Doyon Mine and United Steelworkers of America, Local 9291, 2000–2006.

Coming in the Next Issue

*Selected Provisions in Collective Agreements will report on
Indirect Compensation in the Workplace.*



Innovative Workplace Practices

Bruce Aldridge
Workplace Information Directorate
Labour Program

This overview of workplace innovations is based on a review of 81 collective agreement settlements negotiated during the third quarter of 2003. Of these, slightly over one-half (43 settlements) contained provisions considered to be innovative or of particular interest.

Duration

Of the 81 settlements reviewed during the quarter, approximately 34 per cent (27 collective agreements) had a duration of between 31 and 36 months. Seven settlements had durations of 12 months. Seventeen settlements had durations of between 24 and 29 months while 13 had durations of between 43 and 48 months. Ten settlements had durations of exactly 60 months. Seven agreements had the longest duration of 72 months as follows:

<i>Air Canada</i> (3 agreements) system-wide	Canadian Auto Workers, Air Canada Pilots Association, and International Association of Machinists and Aerospace Workers
<i>Canada Safeway</i> (2 agreements) Calgary and province-wide, Alberta	Bakery, Confectionery and Tobacco Workers' International Union and United Food and Commercial Workers International Union
<i>Weldwood of Canada Limited</i> (2 agreements) Williams Lake and 100 Mile House, British Columbia	Industrial Wood and Allied Workers of Canada

Compensation

Innovative elements in compensation appear in 13 agreements. Two agreements have established new **profit-sharing** plans. Weldwood of Canada Limited, Williams Lake and 100 Mile House, British Columbia and Industrial Wood and Allied Workers of Canada introduced a plan based on the industry's return of capital investment which will provide annual lump-sum payments of \$500 in years 2, 4, 5, and 6 of the collective agreement and \$1,000 in year 3, if the return on capital investment reaches specified levels in each year.

Air Canada, system-wide and four unions negotiated collective agreements with a wage freeze or reductions. Of these, three agreements with International Association of Machinists and Aerospace Workers, Air Canada Pilots Association and Canadian Union of Public Employees will introduce a profit-sharing plan when the company begins to earn profits. The plan is offering 7.5 per cent of before-tax profits that represent 7.0 per cent or less of revenue, and 25 per cent of all before-tax profits for more than 7.0 per cent of revenue. The fourth bargaining agent, the Canadian Auto Workers, representing the customer service employees, have declined to participate in the profit-sharing plan.

INCO Limited, Sudbury and Port Colborne, Ontario and United Steelworkers of America have an **earnings-based compensation** plan. For every US\$10 million in quarterly operating earnings for the Ontario division, employees receive an additional 25¢ for every hour worked in the quarter. For every \$1 million thereafter, the compensation increases by a further 2.5¢ per hour. There is no cap to the potential amount payable and any

amount paid for the quarter will not be less than their Nickel Price Bonus payment for the quarter. If the compensation plan is paid for the quarter, the Nickel Price Bonus payment will not be paid for the same quarter.

A **variable compensation** plan continues between Téléglobe Canada inc., Montréal, Quebec and Canadian Overseas Telecommunications Union. The plan is based upon both the achievement of the company's financial objectives and performance assessment of individual employees. Assessment of employee performance is centered on quantity and quality of work, attendance, and teamwork skills.

Timberjack Inc., Woodstock, Ontario and Glass, Molders, Pottery, Plastics and Allied Workers International Union have installed a **productivity bonus** plan which will provide employees with a monthly bonus based on sharing productivity increases measured in improved output for each hour of input.

Cariboo Pulp and Paper Company, Quesnel, British Columbia and Howe Sound Pulp and Paper Limited, Port Mellon, British Columbia and Communications, Energy and Paperworkers Union of Canada have introduced a **pulp price trigger bonus** provision. The employers will make a payment of \$500 per employee to the local union for each calendar quarter that the RISI (Resource Information Systems Inc.) reported the NBSK (Northern Bleached Sulfite Kraft) price delivered to the Eastern United States averages over \$1,020 (Canadian) per metric tonne. The bonus will be used to establish a fund for the sole purpose of funding pension bridge benefits from age 60 to age 61. The first three quarterly payments will be directed for this purpose and subsequent payments will be used for the benefit of active or retired employees.

The National Research Council Canada, Canada-wide and Professional Institute of the Public Service of Canada have a provisional bonus to resolve

recruitment and retention difficulties. Employees are eligible for a bonus of \$8,000 per year paid bi-weekly. The payment is not folded into wages but will be used for pension calculations. Also, the Vancouver Police Board, Vancouver, British Columbia and British Columbia Federation of Police Officers have deemed that the second wage adjustments of 1.75 per cent in years 2003 and 2004, and of 2.0 per cent in 2005, are for recruitment and retention objectives. A **market adjustment award** has been established by the Regional Health Authorities of Manitoba, province-wide and Manitoba Association of Health Care Professionals. A majority of classifications will receive additional wage adjustments ranging from 3.0 to 9.5 per cent to resolve recruitment and retention problems. The employer will contribute additional sums of \$400,000 on April 1, 2004, October 1, 2004, and April 1, 2005. These additional monies were awarded due to the likelihood that there would be a need to look objectively at salary and market comparisons during the term of the agreement. In the event of a dispute out of the implementation of these amounts, the matter will be referred to arbitration for final decision. The Université Laval, Québec, Quebec and Canadian Union of Public Employees have introduced a **job market premium**. Employees who possess the same special expertise recognized as rare or southtafter in the labour market and who justify a competitive wage may receive up to 15 per cent of the maximum level of their wage scale.

A **performance pay** provision has been introduced between Hamilton Police Services Board, Hamilton, Ontario and Hamilton Police Association. All uniform employees are eligible for the payment which will form part of the base salary and be included when calculating overtime, vacation and statutory holiday pay pension contributions, etc. but not for calculating salary for the purpose of sick leave credits. Effective July 1, 2003, the payments will be equal to 3.0 per cent of the First Class Constable wage rate after 8 years of service, 4.0 per

cent after 17 years, and 5.0 per cent after 23 years; July 1, 2004 and 2005, 3.0 per cent after 8 years, 6.0 per cent after 17 years, and 9.0 per cent after 23 years.

The Université Laval, Québec, Quebec and Syndicat des professeurs et professeures de l'Université Laval have negotiated two **wage parity adjustments**. A wage reopener specifies that wages will be adjusted by the same percentages as the Quebec government's public and parapublic sector employees.

Working Conditions

Fishery Products International Limited, Bonavista and other centres, Newfoundland and Labrador and Canadian Auto Workers have negotiated a **return-to-work** provision. Local managers and union executives shall work together to help crew members make an early and safe return to work after an injury or illness leave. Such accommodation shall not cause the displacement of an employee with greater seniority. Also, the employer has initiated a clause concerning **women's issues**. At each plant, up to three women who establish a committee on women's concerns will have three paid hours per month for meetings.

A **work flexibility** initiative has been initiated between Air Canada, system-wide and International Association of Machinists and Aerospace Workers. It allows employees to perform tasks for which they have the required skills. Also, an agreement with the Air Canada Pilots Association presents a **special permitted absence program** in order to limit surplus of pilots subject to layoff. The voluntary leave of absence may be taken for up to three years or longer if both parties are in agreement. While on such leave, pilots shall retain their seniority date.

Air Transat A. T. inc., Mirabel, Quebec and Air Line Pilots Association International have introduced a guaranteed two days of **personal leave** which may be reserved in advance for a special occasion.

Job Security

Within both agreements negotiated between Canada Safeway Limited, Calgary, Alberta and Bakery, Confectionery and Tobacco Workers' International Union, and province-wide, Alberta and United Food and Commercial Workers International Union, a **work restructuring** provision was established. The employer will offer a voluntary **employment buyout** to a limited number of employees whose rate of pay is greater than \$14.00 per hour. The special severance package ranges from \$700 for part-time employees, who work less than 4 hours per week, to \$25,000 for full-time employees and part-time employees who work more than 36 hours per week. Employees who have 20 or more continuous years of service will receive an additional buyout enhancement in the amount of \$500 per year of service over 20 years, to a maximum of \$5,000. The employer has the right to limit the number of employees by classification, department and bargaining unit, to ensure that the buyout does not affect the efficient operation of the business.

The City of Winnipeg, Manitoba and Amalgamated Transit Union initiated a provision for charter bus service that **uses retired employees** but also guards the **employment of regular employees on layoff**. In the event of layoff of regular bus operators, the use of retired operators would only occur if it were necessary in order to fulfill a charter booking that was accepted prior to the layoff and only after offering any charter work to those employees on layoff.

Plant closure provisions occur in five agreements settled in the third quarter of 2003. Weldwood of Canada Limited, Williams Lake and 100 Mile House, British Columbia and Industrial Wood and Allied Workers of Canada negotiated a provision that in the event of permanent closure of a plant or logging camp, employees will be entitled to a payment equal to 10 days' pay per year of continuous service. Howe Sound Pulp and Paper Limited, Port Melon, British Columbia and Communications,

Energy and Paperworkers Union of Canada offer a severance pay in a lump-sum payment equal to 2 weeks' pay per year of service to a maximum of 52 weeks. Timberjack Inc., Woodstock, Ontario and Glass, Molders, Pottery, Plastics and Allied Workers International Union introduced a provision whereby, should a fabrication facility close; senior employees would be subject to layoff and receive specified training. Junior employees who are laid off would receive a severance pay of \$1,500 and extended health insurance for six months.

Funds

The Regional Health Authorities of Manitoba, province-wide and Manitoba Association of Health Care Professionals have a **wage standardization** fund. The employers will contribute \$1,200,000 to properly finalize wage standardization issues during the term of the collective agreement. With respect to still-unresolved issues, the parties will continue discussions for a further 60 days. Following that period of time, any unresolved issues will be referred to arbitration for a final and binding decision.

INCO Limited, Sudbury and Port Colborne, Ontario and United Steelworkers of America have established a **retiree assistance** fund to provide financial and moral support to retiring employees. Deductions of \$5.00 per employee, per year will be made available from the Earning-Based Compensation Plan payments.

Training

Several agreements now include **apprentice training**. Field Aviation West, Calgary, Alberta and International Association of Machinists and Aerospace Workers have agreed to set parameters for a program to include training in the trades of avionics, composites, interiors, aircraft maintenance and sheet metal in order to **develop qualified aircraft workers**. A settlement provision with Finning (Canada), various locations, British Columbia and International Association of Machinists and

Aerospace Workers states that the employer will pay all **tuition fees and expenses** for apprentices annually attending authorized training classes at a vocational school.

Both Scott Paper Limited, New Westminster, and Howe Sound Pulp and Paper Limited, Port Melon, British Columbia with Communications, Energy and Paperworkers Union of Canada have also instituted the payment of **apprentice out-of-town training expenses**. On successful completion of the required period of vocational school training, the employer will reimburse out-of-town expenses to a maximum of two hours' pay per day on a seven-day per week basis at the first year apprentice rate. These parties will also develop a strategy for maintaining the **principles of certified trades** training for British Columbia and the opportunity for employees to participate in interprovincial qualifications examinations.

Ontario Hospital Association, various locations and Ontario Public Service Employees Union have negotiated a provision for **training before layoff**. An employee who has the right to displace another employee will have the entitlement to the same training period as would be typically accorded to a new employee, and may commence such training prior to the anticipated layoff.

Labour-Management Committees

During the third quarter of 2003, 14 of the 43 agreements with innovative practices contained provisions for establishing committees dealing with a wide variety of concerns.

Fishery Products International Limited, Bonavista and other centres, Newfoundland and Labrador and CAW-Canada have introduced a committee regarding **technological change and ergonomics**. To help develop the committee's work, the employer will provide \$5,000 to help union-nominated committee members acquire ergonomics training.

A committee concerning **frontline police staffing** has been established between Hamilton Police Services Board, Hamilton, Ontario and Hamilton Police Association. The committee will review all aspects of staffing and the advantage of the hiring of frontline officers and the need for a viability of part-time policing within the city.

The Université Laval, Québec, Quebec and Canadian Union of Public Employees introduced a **telework** committee. It will review the various methods whereby employee's duties can be decentralized so as to enable employees to use telematic networks to perform work at home.

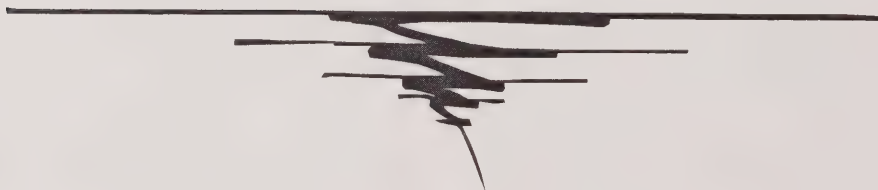
Cariboo Pulp and Paper Company, Quesnel, British Columbia and Communications, Energy and Paperworkers Union of Canada have initiated a committee to examine ways to enhance **employment opportunities**. They will review new work arrangements including reduced overtime and working time alternatives, and report recommendations to the employer as soon as they are developed.

Other committees included in collective agreements discuss such items as customer communication, health and welfare benefit costs, training, and job scheduling.

Innovative Workplace Practices

Previously published articles and case studies from past issues of the Workplace Gazette, are available on the Workplace Information Directorate Website at

<http://labour.hrdc-drhc.gc.ca/>



Labour-Management Partnerships Program

Projects

Federal Mediation
and Conciliation Service, Labour Program

The Labour-Management Partnerships Program is a centralized federal contribution program of the Federal Mediation and Conciliation Service. The program is designed to encourage effective labour-management relations in the workplace or at the sectoral level by providing funding assistance that supports efforts by unions and employers to jointly explore new ways of working, and of working together. Participants (union and employer or an association which represents both) must contribute at least 50 per cent of the total cost of the project in cash or in kind.

The Program supports initiatives aimed at promoting productive, innovative workplaces, fairer, more accessible workplaces and improved labour-management relations. Only pilot or demonstration projects are eligible for funding; funds are not available for activities which represent the ongoing operations or business plan of an organization. Funds are awarded on a competitive basis and preference is given to projects involving companies and unions under federal jurisdiction.

The Labour-Management Partnerships Program has been funding projects since the program's launch in December 1991. The Program's 2002–2003 budget was \$1.6 million. Projects can run for two years and funding of up to \$100,000 is available.

Copies of final project reports are available from the parties and through the departmental library.

Ongoing Projects

The following projects are currently being funded by the Labour-Management Partnerships Program. Descriptions of selected projects will be published in future issues of the *Workplace Gazette*.

Canadian Broadcasting Corporation and Canadian Media Guild (CMG), Units I and III and Communications, Energy and Paperworkers' Union (CEP)

This project will evaluate a performance management and staff development process which emphasizes regular feedback and coaching for employees. National Committee members and more than 60 locally based joint committees—all of which include both labour and management representatives—will participate in this evaluation. Results will be made publicly available.

Visit the Canadian Broadcasting Corporation website at <<http://www.cbc.ca>>.

**Canadian Labour and
Business Centre**

The Centre is holding three regional seminars to showcase the innovative workplace health, safety and wellness practices of 12 leading Canadian workplaces. The prime objective of the seminars is to disseminate information about innovative workplace safety, health and wellness practices in a way which can directly influence the actions of other workplaces.

Visit the Canadian Labour and Business Centre website at <<http://www.clbc.ca>>.

City of Saskatoon and Amalgamated Transit Union, Local 615

The project objective is to develop a strong and mutually-beneficial labour-management relationship through shared corporate values. Managers, supervisors and union executives will receive two-day training sessions in conflict resolution, the art of two-way communication, and problem-solving in order to develop a more effective method of resolving workplace conflict in a timely manner. Results will include a joint training manual, materials to guide further training initiatives and the production of a brochure: *A Respectful Workplace Policy*.

Femmes regroupées en options non-traditionnelles and Société de transport de Montréal and Syndicat du transport et des employés des services d'entretien (CSN)

The objectives of this project are to produce video support equipment in order to make it a useful and efficient training tool and to train managers and union stewards in using developed training tools. Applicants have produced a video of approximately 25 minutes presenting the myths and realities of female workers in predominantly male environments.

John Forsyth Shirt Company and Ike Behar Inc. and Union of Needletrades, Industrial and Textile Employees

The project aims to prevent and reduce work-related musculoskeletal disorders in the clothing industry by developing and implementing an ergonomics program. The program will involve all interested parties—management, workers, union representatives and researchers—who work together as an Ergonomics Change Team. The teams' functions are to assess and prioritize the risky jobs in the plant and to brainstorm, develop and implement solutions. This is the final phase of a project which began in 2001. Project results will be published and widely distributed, via the union's website and newsletter, in an easy-to-read self-help guide developed for employers, health and safety representatives, and workers.

Visit the Union of Needletrades, Industrial and Textile Employees' website at <<http://www.unite-svti.org>>.

**Ordre des conseillers en
ressources humaines et en
relations industrielles agréés
du Québec**

The purpose of this project is to create a portal on the RHRI website dedicated to union-management partnerships. It will include samples of best practices in labour relations, articles, research papers, guides, manuals, etc., as well as practical tools to guide companies, unions and industrial relations professionals in the development of constructive employer-union relationships.

Visit the Ordre des conseillers en ressources humaines et en relations industrielles agréés du Québec's website (French only) at <http://www.rhri.org>.

Queen's University

The University will undertake an assessment of the outcome of the 1998 legislative review of Part I of the *Canada Labour Code* and subsequent amendments. Representatives of the Canadian Labour Congress and of Federally Regulated Employers—Transportation Communication are participating in the project steering committee. The project, which will lead to a presentation and a published report, includes a survey of major Part I clients, and interviews and/or small group discussions with selected labour and management representatives.

Visit Queen's University website at <http://www.queensu.ca>.

University of Calgary

In conjunction with a union-management steering committee, the applicant will produce a 30-minute video that will feature best practices in labour/management relations in Canada. The video will assist labour and management by highlighting activities that have proven successful for other companies, unions and industries. Emphasis will be placed on those practices which contribute to sustainable initiatives.

Visit the University of Calgary website at <http://www.ucalgary.ca>.

**Westfair Foods Limited and
United Food and Commercial
Workers Union, Local 247**

The objective of this project is to develop a system of labour-management cooperation and to support innovative labour-management solutions. Areas covered include workplace safety, worker attraction and retention in the workplace, and the creation of a more cohesive environment with better communications. Cooperation between the parties will be documented in the form of videos, training manuals and standard operating procedures.

*For more information, contact the Labour-Management Partnerships Program,
Federal Mediation and Conciliation Service
at (819) 994-5470 or 1-800-563-5677 or visit their Website
at http://Labour-travail.hrdc-drhc.gc.ca/sfmc_fmcs/index.cfm/doc/english/.*

Labour-Management Partnerships Program

First Nations Policing and Collective Bargaining— Working Together!

*Federal Mediation
and Conciliation Service, Labour Program*

A project in Ontario funded in part by the Labour-Management Partnerships Program—Jointly sponsored by the Canadian First Nations Police Association, the Anishinabek Police Service, and the Nishnawbe-Aski Police Service.

First Nations policing is a concept that grew during the 1990's following the federal government introduction of a First Nations Policing Policy in 1991. As described in the First Nations Policing Policy, the purpose was "to provide First Nations across Canada with access to police services that are professional, effective, culturally appropriate, and accountable to the communities they serve."

In the spring of 2003, the Canadian First Nations Police Association, the Anishinabek Police Service and the Nishnawbe-Aski Police Service held an innovative workshop at Sault Ste. Marie, Ontario. The three groups came together to learn more about labour-management relations and the administration of collective agreements.

The Canadian First Nations Police Association was certified by the Canada Industrial Relations Board in August 1999, to represent more than 60 police officers employed by the Anishinabek Police Service in south, central and northern Ontario. When they were unable to conclude a collective agreement on their own, the Minister of Labour appointed a conciliation officer to assist them in negotiating a first collective agreement. After many meetings over a period of months, the

parties reached a tentative agreement that was ratified by a substantial majority of the bargaining unit. As a result of this experience, the parties sought to expand their knowledge of the industrial relations system and collective bargaining.

The Nishnawbe-Aski Police Service joined with the Association and the Anishinabek Police Service to establish a joint Steering Committee to apply for funding from the Labour-Management Partnerships Program to run an orientation and training session. A contribution was provided to the applicants in accordance with the cost-sharing requirements of the Labour-Management Partnerships Program and the three partners developed a two-day conference that was held in April 2003. The sessions, which were well attended, explored the following topics:

- Management and the Union, Working Together with a Conciliator;
- Negotiating a Collective Agreement;
- Role of Management ;
- Policing with a Labour Contract ;
- Management and the Union Working Together, and;
- Discipline as a Necessary Item in Collective Agreements.

Industrial relations experts from both the private and the public sectors led the workshops and found the participants to be enthusiastic and interested in developing more effective labour-management relations. These workshops provided the participants with greater knowledge of collective agreement administration and union-management relations and also gave employer representatives, union representatives and employees an opportunity to develop the trust and understanding that is necessary to establish

an effective First Nations police service. Since the aim of the project was to improve communication between the parties and to assist them in developing the skills needed to establish and maintain a positive labour-management relationship at the workplace, the workshops proved to be very successful.

As a result of the success of this conference, other participants in First Nations Policing have expressed an interest in similar workshops.

The views and opinions expressed in this document do not necessarily reflect the position of the Labour Program.

The project was made possible by financial assistance from the Labour-Management Partnerships Program, Federal Mediation and Conciliation Service, Labour Program.

Telephone: (819) 994-5470 or 1-800-563-5677

Website: http://labour-travail.hrdc-drhc.gc.ca/sfmc_fmcs/index.cfm/english



LOCAL REQUIREMENTS FOR A MULTINATIONAL ENTERPRISE

The Case of Fleischmann's Yeast Montréal Factory

by MICHEL BROSSARD

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with the collaboration of:

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Burns Philp, an Australian multinational food products company, owns yeast-producing factories around the world. Those located on the North American continent were merged to form a division known as Fleischmann's Yeast. The mother company determines the activities of each of its factories worldwide on the basis of their respective quality-cost ratio. This principle was applied rigorously in a restructuring plan which resulted in the closing of two factories in the United States. This major rationalization responded to the company's financial crisis at the end of the 90s.

This policy—increasing the competition within the company—places high requirements on the local units, forcing them to redouble their efforts to avoid losing part of their production or, worse, having to close their operations. The Montréal unit, which is the subject of this case study, underwent constant changes during the six years reviewed. Difficult decisions had to be made. For example, the creation of a new category of workers, along with a \$4 reduction in the hourly wage, resulted in the deterioration of relations between labour and management and a deep division within the union.

The Market

The yeast market currently has three main characteristics. The first is that the market is controlled by a small number of important players. Although there are several small regional producers in the world, the yeast market is dominated by 10 multinational companies. In North America, three large companies compete with each other: Lesaffre, Fleischmann's and Lallemand. The three share the market more or less equally, although the French multinational Lesaffre enjoys a slight lead.

The second characteristic has been the internationalization of supply since the mid-1990s, accomplished either through acquisitions or by creating new companies. In the first instance, the best-known example is the 2001 acquisition by the French multinational Lesaffre of the American company Red Star, which had the largest share (35 per cent) of the yeast market in the United States. In the second instance, Lallemand, a Canadian company whose head office is in Montréal, has registered significant growth and now owns 12 factories around the world. In 1999, the company established

partnerships with small German yeast manufacturers in order to increase its presence on the European market. The following year, it bought a piece of land in Memphis so that it could better serve its American customers; the new factory was completed the following year.

The third characteristic—which will help better grasp the situation at the Montréal site—is the strong competitiveness of the yeast market. This phenomenon is two-fold. First, it affects the price of the product: by reducing transportation costs, the internationalization of supply has put an additional pressure aiming at reducing prices. One of the dominant companies on the North American market has amplified this trend by adopting a very aggressive strategy during the past three years. It set prices so low that its competitors suspected it manufactured at a loss, planning to monopolize the market. Secondly, it affects the quality of the product which has been subjected to such stringent standards and high client expectations that the companies must constantly try to improve quality. Despite regular inspections conducted by sectoral organizations and sometimes major clients, the ultimate test remains the clientele's loyalty who will not hesitate to change suppliers if their expectations are not met. Manufacturing a top-quality product is not quite sufficient, the real challenge is rather to maintain a constantly high standard of quality.

The Company

The company which we have reviewed is owned by the multinational Australian food products company Burns Philp. Specializing in yeast, herbs and spices, Burns Philp acquired Fleischmann's Yeast in 1986 with the aim of breaking into the North American market, which at that time was dominated by the American multinational Red Star. In 2003, Burns Philp owned 30 yeast factories around the world, including four plants in North America which

were merged into the Fleischmann's Yeast Division. Two are based in the United States (Memphis and Greenville) and the other two in Canada (Calgary and Montréal). During the six years reviewed, the North American division underwent three reorganizations, which resulted in the closing of two factories (Gastonia in 2000 and Oakland in 2002) and a redistribution of activities among the remaining units.

The Montréal Site

Established in 1929, the plant is located in the Lasalle district, on Montréal Island. It employs some 130 people in addition to management staff, which comprises the director of the factory (reporting to the Vice-President, Production, of the Fleischmann's division, located in St. Louis) and four managers, including the Operations Manager. Eight supervisors complete the management structure. The 102 production employees, since the spring of 2001, and the nine laboratory staff have been unionized under the United Food and Commercial Workers Union, Local 225 P. Because it used to represent many factories in the packaging sector that have since been transformed or have disappeared, this local has the same status as larger UFCW locals like 500 and 501. This means that its president, who represents just over a hundred employees, sits on the UFCW's provincial council and participates in all its meetings. Since 1990, the local has reached a service agreement with Local 501 to have a permanent labour relations adviser acting on its behalf. Moreover, an outside adviser, trained as a lawyer, assists the employer with labour relations.

The Montréal plant manufactures yeast for bakery products. Although it supplies some clients with cream yeast, its two main products are humid yeast and dry yeast. Its clients are large producers of bakery products, restaurants, including large fast-food chains, and home bakers. Due to changes made in 2001, the company has doubled its output, reaching

150 million pounds of yeast annually. The production process is broken down into four stages, each corresponding to a department: fermentation, drying, humid yeast and dry yeast. Four related activities complete the process: the power plant, maintenance, handling and distribution.

The Montréal site faces numerous external pressures from a market that is becoming more and more demanding and difficult. Compared to the other units in the division, however, this company faces two additional constraints. The first is its location. As it happens, one of the other major companies, Lallemand, is also in Montréal, putting the two in direct competition, especially in supplying the north-eastern US market. The second constraint relates to the type of yeast produced. Since 2000, the company must produce more dry yeast in an increasing variety of forms in order to meet a growing demand and open new doors. Since its shelf life can be as long as two years, dry yeast confers a competitive advantage when it comes to supplying foreign clients, and the Montréal site is one of the two main producers of dry yeast in the Fleischmann's group. But Lesaffre's acquisition of the Red Star group in 2001 introduced a major player on the North American scene. While Red Star had trouble manufacturing a top-quality product, Lesaffre is the world leader in the production of dry yeast, in terms of both volume and quality. Thus the arrival of Lesaffre on the continent introduced greater competition for the Montréal site; the company must redouble its efforts to increase market share.

Factors that Brought about the Changes

To understand what is at the bottom of the recent changes, it is necessary to look briefly

The Montréal site faces numerous external pressures from a market that is becoming more and more demanding and difficult.

at the evolution of the Montréal site over the past 15 years. When Burns Philp acquired Fleischmann's Yeast in 1986, its aim was to use the division to better penetrate the North American market. Following an internal analysis of the new acquisition, Burns Philp decided that the Montréal plant's operating costs were too high compared to the volume of production and that the plant would have to be closed. This part of the restructuring was assigned to a corporate vice-president appointed by the Australian head office. On his arrival in Montréal, the executive was struck by the dynamism of the local management team, who were determined to use the change in ownership to turn the Montréal site into a top-notch operation. The executive persuaded the corporate leaders to reconsider their decision and, with the aid of the local team, began the task of improving the site's position within the division. They immediately implemented a management approach based on objectives in which local management,

under the supervision of the manager and the director of production and personnel, acquired a great deal of discretion to decide how to achieve the objectives discussed with senior levels. The Montréal management team thus became more and more autonomous. They set objectives on their own, counting on the results to convince corporate management to support them financially. The most tangible spinoff of this approach happened in 1989, when corporate management provided the money to buy a new continuous flow dryer to help the company improve service to its international clientele.

In 1996, a new director was appointed to replace the former director who, along with the president of the division, had accepted a position with the competition—Lallemand. The new

director, a trained engineer, strengthened the goals management process and developed a long-term vision to turn the Montréal plant into one of the most important Burns Philp units in the world. The vision is built around a market analysis and three main strategic orientations. Before reviewing these orientations, we will briefly consider the market analysis involving four major trends. In each case, the trend was already present at the beginning of the relevant period, but the merit of the new director is that he was able to anticipate its evolution quite accurately.

The *first trend* is the increasing quality of the yeast. In 1995 and 1996, the requirements were already very high. Management assumed that the trend would continue, putting more pressure on the producers, and so it has proved. Clients demand greater quality standards and are increasingly ready to change suppliers. Some even impose their own inspection service on the manufacturers.

The *second trend* is the rising of costs. In addition to operating costs increasing steadily, the plant faces stricter environmental standards. In the mid-1990s, a new regulation aimed at protecting the environment was gradually implemented in North America. The Montréal plant was hit especially hard by the new fees for filtered-water treatment brought in on July 1, 1997, by the Montréal Urban Community. If the tolerated variances are not respected, the faulty company will lose its permit to discharge effluents, which will result in an automatic shutdown of its activities.

The growth of Lallemand represents the *third trend*. When Burns Philp took over Fleishmann's Yeast in 1986, Lallemand was only a small player in the North American yeast market. The small player became big, to the point that in 1996, it was one of the top two competitors in the sector, and the main

competitor of the Montréal plant. It had the same market share in North America as the Fleishmann's group, a little behind Red Star, in addition to dominating the Quebec market. The departure of both the director and the president of the division to Lallemand in 1996 gave the Montréal company a clear signal that Lallemand wanted to expand and increase its market share. Lallemand's first step was to diversify its production in the direction of non-industrial yeast. It gradually took over a good part of the segments that had been the strength of the Montréal plant and upon which it had planned to put a greater emphasis in the future. Moreover, Lallemand increased its production capacity, especially in dry yeast, and attempted to improve the quality of its products. This initiative was disturbing for the Montréal plant as it had planned to strengthen its position in this market niche. The alliance of Lallemand with Bavarian yeast manufacturers in 1999,

The vision is built around a market analysis and three main strategic orientations.

and the purchase of land in Memphis the following year, confirmed that their objective was to expand at the international level. Finally, to attract more clients, Lallemand also implemented a very aggressive pricing policy. A vivid example is the fresh products sector, where Lallemand set its price in reference to that of the Montréal plant, reduced by a certain percentage. This competitive advantage was accentuated by Lallemand's policy regarding its workforce. Even though its workers were unionized, labour costs were at least 20 per cent lower than those of the Montréal plant. This had a huge influence on the decisions taken over the coming years.

The *final trend* relates to the internal operations of the Fleishmann's division. At the beginning of the relevant period, the management succeeded in setting up a network operating system that introduced a certain amount of competition

among the six North American units. This process involves managing the fluctuations in production volumes by favouring the most efficient unit. For example, if a unit succeeds in significantly improving its position within the group in terms of quality and costs, it increases its chances of being awarded, by the head office in St. Louis, a part of the output of the other units. A similar policy is applied in the case of contingencies, such as a prolonged breakdown of equipment or a labour strike in a unit. In the latter case, the unit's production quota will temporarily be assigned to another unit. This policy requires from the units to be very flexible, particularly in the areas of equipment and working conditions, so that they can meet these regular variations in production. Therefore, improving the efficiency of a unit must also include increasing the flexibility of its operating conditions. For the Montréal management team, the advantages of this trend toward flexibility, already important in 1995 and 1996, are likely to be confirmed, all the more so since management forecast an increase in the demand for dry yeast over the coming years. Since the shelf life of this product is so long, the units can expand their business scope to the international level. With the Montréal unit already producing dry yeast, its management was aware that they would compete not only with the other North American units, but also with some 30 other Burns Philp units manufacturing the same product around the world.

Strategic Decisions

In order to take advantage of these anticipated market changes, management at the Montréal unit made three strategic decisions. The first decision was to turn the plant into the most efficient unit in the Fleischmann group in terms of costs and quality. In the yeast market, such a decision requires simultaneous actions in order to lower the costs and improve quality. Since

demand is not flexible regarding the quality of the product, the objective to lower the costs can be viable only if quality is improved and maintained. Thus, excellence demands that both objectives be pursued simultaneously. This strategic decision was all the more important because the plant had no control over prices, which are set by the Australian corporate management. The Montréal management assumed that the best way to position the company within the group was to make it the most efficient, and consequently the most profitable, by optimizing the cost-quality ratio. This strategic direction also has tangible benefits for the workforce by ensuring that jobs are maintained.

This first decision was not really new as the plant's management had been trying to improve quality and reduce costs since its acquisition by Burns Philp in 1986. Until 1995-96, however, the two imperatives had not been pursued this vigorously. It could even be said that, during the six years which have been reviewed for this case study, management insisted on attaining significant results on quality and costs to ensure that the company survived and jobs were maintained. Henceforth, costs and quality became imperatives established on a comparative basis. To meet the set requirements, management at the Montréal plant took an innovative approach which resulted in two other strategic decisions.

One was to focus on establishing labour-management co-operation. Prior to 1996, relations between management and the union were based on the traditional approach, meaning that the former had the power to make decisions and the latter had the right to challenge the decisions by using the procedure of grievances and arbitration. The only means of introducing any change was to wait for the next round of bargaining in order to modify the collective agreement. When production volumes started

to fluctuate significantly and regularly, the flexibility required in the manufacturing process clashed with the strict model governing labour-management relations. Recourse to overtime allowed for some flexibility but also raised costs and the necessary changes had to be postponed until the next round of bargaining. Moreover, because of fluctuations in the production volumes, the Montréal plant had to reduce its output. Although the collective agreement guaranteed a 40-hour work week for regular staff, the fluctuations, likely to result in high additional costs, were anticipated to be more frequent at the Fleischmann group. During the negotiations regarding the renewal of the collective agreement, which was due to expire in October 1996, the employer and the union agreed to change the nature of their relations. On the union side, this change was facilitated by a new adviser, appointed by Local 501, who had considerable experience in labour-management relations that would help to generate major changes.

The 1997–2000 collective agreement contained the two mechanisms introducing the new labour-management collaboration. One created a work organization committee "to discuss work procedures, methods and responsibilities in order to guarantee the clients the highest quality possible; improve the efficiency and profitability of the company, and promote the maintenance and creation of quality jobs and enhance the well-being of the employees." The committee was made up of an equal number of representatives from both parties and operated on a consensus basis. The other mechanism involved the establishment of continuous negotiations enabling the signing parties to modify the contents of earlier agreements. Once the foundations for a labour-management renewal were laid, there remained the challenge of defining a new approach regarding the employees. This was the subject of the third strategic decision.

Several methods can be used to improve the cost-quality ratio. Until 1996, the Montréal unit had attempted to improve its ratio mainly by focusing on technological, administrative or chemical processes, or by reviewing its manufacturing process. Despite the positive results, management decided that an additional step could be taken by building upon the employees. The yeast manufacturing process requires considerable alertness from the workers, and management chose to mobilize the workers and give them more responsibilities with regard to two major objectives: costs and quality. Internal studies showed that this approach could bring about additional improvements of about 10 per cent to 15 per cent.

Changes Introduced

The study period covers six and a half years, from January 1997 to June 2003. During this period, the plant underwent an unexpected expansion, doubling its volume of production. Numerous changes were introduced, sometimes rapidly, without interrupting the output to serve the local or other units clientele. Three stages in the implementation of change could be observed, each corresponding to a specific work reorganization. The first stage, which began in 1997 and was completed at the end of 1999, dealt with the reorganization of the humid yeast department. The other two phases revolved around the transformation of the dry yeast department. This involved the creation of a new category of employees, which would divide the union and damage labour-management relations. The second phase was dominated by a serious misunderstanding resulting in an outbreak of grievances. During the third phase, an unexpected changeover at the head of the union facilitated a settlement between the parties and a resolution to the conflict.

First Phase: Reorganization of the Humid Yeast Department

During the month following the signing of the collective agreement in May 1997, the Montréal unit was in the middle of its first restructuring within the Fleishmann's group. Humid yeast that had previously been manufactured by the Memphis unit would now be produced in Montréal. This transfer represented an increase of 20 per cent in total production capacity for the Montréal plant and required extensive conversion work that would take a year to be completed. Furthermore, the changes would be carried out at the same time as the work aimed at conforming to the new environmental standards established by the government.

Six months after the conversion work started, Burns Philp faced a critical financial crisis which reduced its share value from \$2.50 to \$0.18 in a few days. The Montréal unit was the last of the company's 32 factories to interrupt its expansion project. In the crisis context, the yeast division remained the only profitable division in the company, and each unit had to compensate for all cost increases with a corresponding reduction in the production process. There was a great deal of uncertainty and no one could predict what would be the outcome for the Montréal unit.

The interruption in the expansion work made it possible to focus on the personnel. At this stage, the management and supervisory teams at the Montréal plant stood out by playing a leadership role among the six North American units. One of the best examples was the design of a plan submitted by the Montréal unit to the group's head office ensuring servicing to the clientele. The plan, which was approved in the weeks following its presentation, contained a series of measures of mutual assistance in order to

continue serving the clientele of a unit faced with a major problem, either natural or not. Its approval was a stroke of luck since the Montréal unit was to be the first to benefit from the plan, during the ice storm of January 1998. The Montréal unit had also distinguished itself by training the other units' accounting and new executive staff. Now there was an opportunity to focus on production staff. Since his appointment, the unit director had published a monthly newsletter—*Director's Comments*—which was posted on the notice board. The newsletter delivered information about the changes that had been initiated in the unit during the preceding month and frequently emphasized the importance of individual accountability in reducing costs and improving quality. This message, originating from the top level and relayed and promoted by the foremen, helped to raise awareness among the workers of the major objectives to be achieved, but its main weakness was that compliance was left too much at their

At this stage, the management and supervisory teams at the Montréal plant stood out by playing a leadership role among the six North American units.

own discretion and good will. To achieve better results, the time had come to structure involvement and responsibility around unambiguous rules and

procedures. The following year, a set of procedures, regarding mainly quality, the environment and manufacturing practices, was developed to provide the workers with specific regulations to follow in performing their work. Henceforth, the workers knew exactly what was expected from them. In some cases, they had to ensure that follow-up work had been completed by signing a control sheet. In case of doubt, it

was recommended that the workers consult their foreman. This approach enabled the workers to exercise their responsibility and commitment within a framework of clear procedures and with the support of their supervisors.

In the summer of 1998, Burns Philp obtained a refinancing agreement from several Australian banks and gave the Montréal plant the green light to continue its expansion project. The work resumed with a view to launching the new humid yeast department in January 1999. During the same period, the work organization committee held several meetings to determine how the new department would function.

Prior to the expansion project, the department produced humid yeast in one-pound bricks and 50-pound bags. Yeast was pumped from silos into filtration machines to extract the water in order to turn it into humid yeast. It was then directed toward one of two types of machines to fit the desired product. The process required four categories of workers: filtration operators, packaging operators, cold-room stackers, and cleaners. The operations could be described in a simple manner, operators in the first two categories being responsible for their machines which manufactured yeast in bricks or in bags. The products were sent by conveyor to the cold room, where stackers were responsible for their storage. After these employees had finished their regular day shift, the cleaners came and washed the equipment.

The redevelopment involved two major changes. Firstly, in addition to the one-pound bricks, it was decided that the factory would produce five-pound bricks; this would require the introduction of new machines identical in operation, but of a different size. After the manufacturing stage, the product would be sent by conveyor to an automatic pallet loader and the pallets transported by a worker to the cold room, on a

motorized forklift. Secondly, work schedules were to be changed. The yeast in bricks is produced on 24 hours shifts from Monday to Friday, thus necessitating three shifts to complete the cycle. Now two shifts, the day shift and the evening shift, would be devoted to manufacturing yeast in bricks and in bags, and the night shift to cleaning. These changes led the work organization committee to recommend the creation of a single occupational category for the production activities—the operator category—and to maintain the cleaner category. Since the recommendation involved changes to the collective agreement, the two parties signed a letter of agreement in November 1998 and the department was able to start operating as scheduled, in January 1999.

A few months of experimentation revealed a major weakness pertaining to the production coordination and the cleaning. Since it was practically impossible to anticipate precisely the volume or orders, given the specialized nature of the work shifts, the production activities often continued on part of the night shift, thus postponing the beginning of the first shift for the day workers the next day. Not only

A refinancing agreement ... gave the Montréal plant the green light to continue its expansion project.

did this overflow created overtime costs, but it caused the cleaners to wait before they could start their work and then, work more vigor-

ously to complete their tasks. The problem was submitted to the work organization committee who recommended that the two categories of workers be merged into a single "operator-cleaner" category. Such job reorganization, based on the assumption that the workers would be versatile enough to do their own cleaning after producing each batch of yeast, would make it easier to co-ordinate the manufacturing process and to increase the worker's multitasking. It was ratified by the parties in a letter of agreement signed in December 1999.

Second Phase: Reorganization of the Dry Yeast Department

The second phase was dominated by a major expansion of the Montréal plant and the creation of a new category of worker, which was to become very divisive and the source of a deterioration of the relations among the parties. Once the financial crisis had been resolved, Burns Philp undertook a second reorganization, a major one this time, which implied the closing of factories around the world and relocating a part of its operations.

The move involved the yeast sector, particularly the North American group. In this region, the rationalization called for the closing of the Gastonia site and a redistribution of operations among the other factories.

Since the Montréal plant had shown in the previous years that it had the capacity to become significantly more efficient, it was designated to take over a good part of Gastonia's operations and to become the centre of production for dry yeast, previously supplied by the plant in Oakland. For the Montréal plant, the project implied an investment of \$15 million, the reorganization of the dry yeast department, the hiring of some 30 workers and an increase of at least 30 per cent in its production capacity. In addition, it was given responsibility for the production of humid yeast in cubes of 0.6 ounces and 2 ounces, previously manufactured in Gastonia. With this decision, the senior corporate management showed that it supported the efficiency efforts made by the Montréal plant during the previous years, and that it relied on the principle that the positive results it obtained in the past will ensure a good progression for the future. But the process of renewing the collective agreement would confirm that local management intended to use drastic means to further reduce costs.

The creation of a new category of worker was to become very divisive and the source of a deterioration of the relations among the parties.

Creation of the "Operator B" Category

For the most part, the new expansion project, which was a result of the company's financial crisis, had not been planned for. Quickly drafted at the corporate level, it was developed during the months immediately following the crisis and presented to the local management a little less than a year before the end of the collective agreement. In anticipation of the coming

negotiations, the management approached the union about the proposed changes to the agreement. Since it was expected that the expansion project would increase the workforce by at least 50 per cent, the management's main

objective was to use this opportunity to reduce significantly its operating costs, especially salaries. The discussions enabled the parties to agree on a large number of provisions. The main advantages were, for the employees, the option to take their vacation during the summer months. For the employer, an important gain was the rotation between a working day of 10 hours for regular work schedules on weekdays and 12 hours on weekends and, for the power plant, a reduction in the number of overtime hours. The last measure, however, was not satisfactory to the employees of the dry yeast department who, despite receiving compensation of \$3,000 on the signing of the agreement, feared that their earnings would be adversely affected in the future. The dissatisfaction became more widespread owing to the employer's stand on salaries. Boosted by the confidence shown by corporate management, the local management provided the workers with a choice of accepting a general reduction in salaries or the creation of a new "Operator B" category of employee. This category would

apply to new staff hired at the dry yeast department with an hourly wage \$4 lower than the hourly wage paid to operators covered by the existing collective agreement.

Although it was restricted to future employees, the plan caused great concern among the workers. In the first place, it modified the salary structure for the production staff whose current hourly wage gaps did not exceed \$0.90. Next, the proposition could impact existing employees by reducing the number of positions or, worse, cutting the salaries of those who wished to remain on the payroll as day workers rather than being promoted to operators. Having obtained guarantees to protect the existing employees, the union executive, supported by the adviser from Local 501, assured the employer that he would recommend that the union's general assembly vote in favour of the draft agreement stipulating the creation of a new category of workers with a reduction of \$4 in hourly wage. The draft was overwhelmingly rejected by the union members by a vote of 34 to 11. Although the general assembly preferred this proposition to a general reduction in salaries, it considered that the guarantees to protect the existing workers were too weak. Especially worried were the newly promoted operators, who feared being downgraded if positions were eliminated, and the day labourers who, according to the terms of the new agreement, would receive the lower Operator B salary. These fears were eased by additional guarantees that gave the existing workers complete salary protection up to the end of the 2004 collective agreement. The draft was presented again two weeks later and accepted by a vote of 26 to 23 reflecting a division within the union. Many employees, even among those who approved the draft, disagreed with the creation of the Operator B category, without a more complete evaluation

of the consequences. The changes were still to come, so it was difficult to measure their full impact on employees. Since the expansion involved the reorganization of the dry yeast department and the use of new equipment, it was not even possible to describe the tasks of the Operator B and, in that sense, to clearly differentiate the position from the other categories. This issue would continue to impact the relations between the parties till the end of the relevant period.

Upheaval at the Dry Yeast Department

The reorganization of the dry yeast department was implemented within the context of the many changes introduced over a one-year period. The expansion plan forecast an increase in production capacity of up to 150 million pounds of yeast per year. As early as September 2000, the Montréal plant experienced a phase of constant upheaval. According to one employee, it was total turmoil. Clients still had to be serviced even though some of the changes required that operations be temporarily shut down. For instance, all activity was halted for three and a half days in order to refurbish the electrical intake system and employees were mobilized during most of the second stage. The creation of the new employee category would soon temper the rather harmonious implementation of the changes.

It was difficult to measure the full impact of these changes on employees.

Before the second restructuring, the dry yeast department counted about 10 workers grouped in three categories (operator, cleaner and day-shift worker), who typically manufactured four varieties of product. Following its expansion, dry yeast became the main product manufactured at the plant. The goal was to increase not only the quantity of yeast but also its variety. Therefore, the department had to undergo extensive changes: some production lines had

to be removed in order to set up new ones and some existing ones had to be expanded. The floor plan more than tripled and the operation had to hire over 30 additional employees, including packers and relief workers. The reorganization was planned based on the closing of the Gastonia factory and the transfer of some of the Oakland operations, and was therefore carried out in stages.

To understand the problems caused by the creation of the "Operator B" workers, it may be useful to review the changes within the context of the department's operation at the end of the relevant period rather than chronologically.

The dry yeast department is made up of two types of sections, according to the nature of operations performed: the sections where the operation is performed by a machine and the sections where the operation is performed manually. In the five machine-operated sections, the basics of production are done mechanically: yeast in envelopes, yeast in glass jars, yeast under vacuum in briquettes of 500 grams and 450 grams, and yeast in large pouches. The division of labour is simple. Some workers are responsible for the functioning of the machines and others look after the packing of the finished products. In the other sections, where the work is done manually for the major part, two production lines produce yeast in bags of 25 pounds and in one-kilogram metallic boxes. Different types of yeast (for pizza, in barrels or in pouches) are also manufactured on an as-needed basis. The department is organized so that the products, once packed, can be sent to an automatic stacker. A motorized forklift is placed near the stacker so that it can move the pallets to a buffer zone where they will be transported to the warehouse by a packer. In some sections the stacking is manual. Workers stack the merchandise on pallets that will follow the same process.

In terms of employment classification, the innovation consisted in dividing the operators in two categories.

In terms of employment classification, the innovation consisted in dividing the operators in two categories. The 10 workers in the "Operator A" classification are responsible for the maintenance of the machines and the quality of the product. They must conduct a large number of verifications to ensure that the products meet the various manufacturing

criteria (weight, lid pressure, labels, glue, bar code, content water tightness, etc.). They work in two shifts, the day shift and the evening shift, from Monday to Friday. To improve

both individual and organizational flexibility, they perform daily rotations from one machine to another. Since November 2001, they have been receiving an hourly salary of \$20.71. The workers in the "Operator B" category are for the most part packers in the machine sections, and rotate between the shifts. Others in this category carry out activities such as preparation of the lines, handling related to the reception and delivery of materials, recuperation, containers, etc. To perform some of these tasks, they must use motorized forklifts.

To fully describe the situation, since April 2001 there have been one A operator and two B operators assigned to the production of humid yeast in cubes, inherited from the Oakland plant. Since the manufacturing is mechanized, the Operator A is responsible for the two machines, and the two B operators pack the finished product. There are some 20 workers in the Operator B category and they have been receiving an hourly salary of \$16.56 since November 2001, i.e. a reduction in hourly rate slightly over \$4 compared to Operator A workers. The dry yeast department employs also workers in another job classification, the cleaners, who work night shifts and performs

minor tasks in addition to the cleaning. Less specialized than before, the cleaner is increasingly characterized the link between the evening shift and the day shift. The cleaner gets \$20.56 an hour.

Prior to the second expansion, the department had three categories of employees: operators, cleaners, and day-shift workers. The operators were considered to be the only true producers. They were multitask workers, particularly in the period following the previous collective agreement where the positions of operator, packer and stacker were combined; they were responsible for every aspect in direct relation with product manufacturing.

During the day, the day labourers carried out related duties, mainly involving handling. Once the shift was over, the cleaners came in to wash the equipment and to prepare the workshop for the next shift. The harmony that existed among the categories was reflected in the salary structure. The operator earned \$20 an hour, the cleaner \$19.86 and the day labourer \$19.75.

The division of the operators into two categories—A and B—presents a problem in terms of task definition. In the machine sections, the presence of machines made it easy to differentiate between the workers responsible for the process and the packers. In their case, the distinction is simple and creates no ambiguity. In the other sections, the situation is very different since the workers—all in the "Operator B" category—are required to carry out tasks that are also done by workers in other better paid categories. The best illustration is provided by the handling function. Some Operator B workers do the handling. The main issue in dispute concerns the entry into the department of materials needed for production, and the transportation of finished products

to the buffer zone with a forklift. Since these tasks pertain to the handler position, a natural reaction is to put pressure in order to obtain a salary increase; the more regular the assignment, the more intense the pressure to upgrade the position to that of handler with a corresponding hourly salary of \$20.27. Another example that illustrates the problem is the situation of the Operator B workers who deal with the automatic stacker. Here the problem results from the presence of a similar machine in the humid yeast department, operated by multi-skilled operators paid \$21.12 an hour. The similarity of the two tasks is once again a factor of pressure to increase wages.

The division of the operators into two categories presents a problem in terms of task definition.

Basically, the problem lies in the definition of tasks. One of the solutions suggested by the union is to make the Operator B job description unique by assigning exclusive

responsibilities to the position. If duties performed by workers from other categories could be included in the Operator B job description, the salary should be increased proportionally. For the employer, this approach is too rigid. Management at the Montréal plant created the Operator B position in order to improve its competitiveness by reducing its labour costs. In this perspective, it intended to contain as much as possible any all overflow on the expected gains achieved through the classifications. Theoretically, the infringement on tasks assigned to the other categories is limited according to the *Pay Equity Act*. More valued tasks can be integrated into the new position, provided that a distinction can always be made between the Operator B position and the senior-level positions, globally based on its contents.

It must be noted that the second expansion was planned based on the reorganization of the entire North American group. When the conversion work was completed, the joint work organiza-

tion committee discussed the concrete methods to introduce the new employee category during the fall of 2000. Their objective was to implement it quickly in order to launch the machine sections—producing yeast in envelopes and in glass jars—as planned in February 2001. The work organization committee began a series of meetings in December and scheduled four meetings in mid-February. The discussions enabled the parties to improve their relations and to agree on several points, but the dispute regarding the nature of the tasks for the Operator B positions persisted. The employer, caught between the committee's principle of consensus upon which the committee's operation was based and the urgency of putting the new sections at work, put an end to the discussions in spring 2001. It decided that those measures, which were jointly agreed upon by the committee, should be applied. In the case of issues in dispute, the employer invoked its management rights and stated that it could not wait any longer and was forced to take action in order to implement the expansion. From that moment, relations between the parties became tense. The union filed a grievance relative to the job classification issue, followed by nine others. The parties agreed to group the claims into one collective grievance and to submit it for a single arbitration hearing set for October 9, 2002. The work organization committee did not hold any other meeting the following year.

Within the union, the workers remained as divided over the concept of hiring new employees at a \$4 hourly salary reduction as they were when the collective agreement was signed. The dissatisfaction stemmed mainly from the potential impacts that the creation of the new category would have on their own situation. Even though the negotiations had

provided some guarantees, their discontent persisted because the guarantees would end in 2004 and because the workers would no longer be able to occupy a regular position as day labourers without a substantial loss of salary. Adding to these tensions among the workers already employed at the plant were the concerns of the new employees who were not present at the vote in June 2000.

Within the union, the workers remained as divided over the concept of hiring new employees at a \$4 hourly salary reduction.

Most of them viewed the introduction of the Operator B category as a retreat by the union and a loss of equity, given the fact that some of them were doing

tasks that were also carried out by more senior categories of workers. Some of them were ready to accept the employer's position on the condition that each category would be assigned distinct tasks or, in cases of unavoidable overlaps, that the \$4 wage gap between Operators A and Operators B would be reduced. The progress of the discussions by the work organization committee did nothing to improve the climate within the union. It even worsened when the employer decided to cut short the discussions. For many workers, the creation of the Operator B category was a problem that the union had not solved satisfactorily. At the union elections in December 2001, the officers were defeated in a tight vote and replaced by a new executive who had not been campaigning and whose president had volunteered for the position under the pressure of the discontent workers.

The new executive owed its election to many workers' opposition to the creation of the Operator B category. Without a program, the new executive had not actually run in the election, it had been literally thrust into managing the union by a movement disputing

the existing executive. Practically without union experience, it presented little cohesion and its positions often lacked coherence. In the months following the election, two officers resigned and were not replaced. The new executive's objective was to try to eliminate the Operator B category or, at the least, to reduce the \$4 wage gap as much as possible. Early on, it adopted an approach based on confrontation. The most apparent sign of this was the increased number of grievances and a definite intransigence in its demands.

Taken by surprise by the outcome of the elections, the former union president did not admit defeat. Despite the significance of the protest, he determined that changes in the yeast production market left no choice for the plant but to bring in the new occupational category. He underlined that the year before, the assembly had approved the new employee category and that therefore it was part of the collective agreement. From the day after his defeat, he undertook to defend his stand by keeping an eye on every move of the new executive. This tactic was made easier because of the inexperience of the newly elected officers, who solicited his help in dealing with issues and relied on his negotiating experience with management. The stalemate would be resolved in this context as the former president of the union considered that an approach based on negotiation was favourable to the workers and would allow maintaining their jobs.

Third Phase: Resolving the Conflict and Relaunching the Expansion

In April 2002, the corporate management proceeded with a third reorganization. They announced the closing of the Oakland unit and transferred a part of its production of humid yeast to the Montréal unit. To do this, a large part of the dry yeast production manufactured

by the Montréal unit would be allocated to other units located in Brazil and Portugal. These changes had a direct impact on the employees. Because of the reduction in the manufacture of dry yeast, only about 10 workers in the Operator B category were needed, and 30 positions were eliminated.

This decision to transfer production between units within the group led to contradictory interpretations at the Montréal unit. The local employer representatives, who hadn't expected the move, viewed it as a consequence of the corporate policy to allocate manufacturing to the most efficient unit. According to them, it showed that the efforts made to lower the production costs of dry yeast were the right move. The representatives indicated that the lost volume could be recovered by adding other measures to make the Montréal unit more efficient than those in Brazil and Portugal. On the union side, the reactions were diverse, but the main response came from the Operator B workers who believed that the decision was a local management ploy to shift in its favour the discussions on the prickly Operator B issue.

These events contributed nothing to improving relations between the parties, who had not met for six weeks. When they finally met, they questioned again the agreement which was entered at the time of the collective bargaining. Even though both parties came to realize that their deteriorated relations were hurting their chances of demonstrating the Montréal plant's efficiency, their relations had worsened to such a point at the beginning of summer 2002, that there were 54 grievances, 10 of which were grouped together in a collective grievance dealing with the Operator B category. Unable to agree, the parties ended the discussions and agreed to meet at the arbitration hearing set for October 2002.

On the union side, these events had produced unexpected results. In the context of the freeze on employer-union discussions and the preparatory work to support the collective grievance, the former union president and one of his former vice-presidents were restored to the executive, replacing the two officers who had resigned in the spring. Since both of them had participated in the initial discussions on creating the Operator B category, they played a crucial role in the preparatory work to support the collective grievance submitted to arbitration. Their growing influence led to the president's resignation who was immediately replaced by his predecessor. The incoming president appointed in his team a recently hired employee who had a great deal of experience as a union president.

The new executive, formed in the days preceding the arbitration hearing, was present on October 9 to support the grievance. Since several positions were involved, the presentations were long and the arbitration hearing had to be adjourned and rescheduled four months later. This postponement would prove to be helpful in settling the dispute.

In addition to the collective grievance concerning the

Operator B workers, approximately 40 other grievances had not yet been resolved, some dating from the previous year. In this context, the parties in grievance committee decided to resolve as many grievances as possible. In a three-month time the grievance committee succeeded in resolving almost all of these grievances and a single one, relative to a dismissal, was submitted to arbitration. Both parties admitted that this intensive exercise greatly helped in bringing them together and improving their relations. They even

considered a more collaborative approach. The results were so encouraging that the union proposed that they start discussions on the critical issue of Operator B category, despite the adjournment of the arbitration hearing.

Essentially, the Operator B dispute concerned only three positions. The employer claimed that their duties corresponded to those of the Operator B category, while the union held that they properly belonged in the Operator A category. After two weeks of discussions, the employer maintained its stance on two of the three positions, but agreed to give a \$2 hourly bonus to the Operator B assigned to the automatic stacker, on the condition that he carried out the tasks done by the handlers. The employees roundly rejected this proposition. The handlers especially were opposed to it, fearing that its implementation would cause job cuts. In close collaboration with the members, the union executive initiated a process to identify various possible scenarios likely to gain their adhesion. Each scenario was then discussed with the employer to ensure his agreement.

Toward the end of the process, the parties received the unexpected but welcome announcement that the Montréal plant would resume the production of dry yeast that had been given to the Brazil and Portugal units nine months earlier. After a week of extensive analysis, three scenarios were

developed. The most favourable one was presented to the union's general assembly and was ratified by 85 per cent of the employees. The following day it was included in a letter of agreement between the parties.

According to both parties, the agreement represented a compromise: the employer approved the senior classification for the three positions in question, and the union dropped its initial demand on the issue of a retroactive

Both parties admitted that this intensive exercise greatly helped in bringing them together and improving their relations.

effect. In terms of work organization, the employer obtained, for two of the three positions, the accommodations it sought in order to further reduce the operating costs. In the first case, the new classification acknowledged an increase in the workload, due to the diminution in the number of employees in that position from three to one over the past 10 years, owing to technological changes. In the second case (the stacker), the measure was accompanied by a reduction of duties for the operator, in charge of the equipment maintenance, and the handlers. Henceforth, the stacker will be able to use a forklift to transport the pallets to the warehouse for packaging, a task previously carried out by the handlers. Once the operation is completed, the stacker will bring the pallet to another section so that the handlers can store it. To prevent negative fallout for the handlers, the agreement included guarantees concerning the granting of overtime related to packaging as well as job protection. In the third case (the operator responsible for the automatic canning equipment), the change took into account the degree of intensity of the work compared to that of the worker's counterpart in the humid yeast department, classified as Operator A. Also included in the agreement was a plan to implement a new type of work organization, by which this operator would be a member of a team of two workers. The two workers responsible for the section operation would both be in the Operator A category. The parties agreed that this innovation represented a first step toward implementing work teams, which they would strive to develop elsewhere in the factory.

The new arrangement brought more flexibility at the operational level while reducing costs overall. It became effective at a time when part

of the dry yeast production quota was allocated to other units, resulting in the layoff of a number of operators B at the Montréal unit. The cost reduction initiative was implemented together with some other measures to improve quality, so as to optimize the price-quality ratio. In the follow-up to different scenarios, the Montréal plant was given back the production of dry yeast that had been assigned to the units in Brazil and Portugal. Once the agreement was signed, management and labour considered other measures to position the plant even better within the group.

Conclusion

This case illustrates a significant trend, observed since the 1980s, toward a greater dependence of industrial relations upon market forces. Today, external pressures have a much more direct impact on the internal job market protected by the traditional employment safety net inherited from the New Deal, which is gradually crumbling.

The Montréal plant decided to opt for a continuous improvement process and tight cost control in order to become one of the best-performing units in the group.

The company which has been reviewed, the Fleischmann's Yeast Montréal factory, specializes in the manufacture of three types of yeast serving, depending on their

shelf life, the local, continental and international markets where the competition is fierce, both in terms of product price and quality. The plant, which is owned by a multinational company, is decentralized at the operational level but is centralized at the financial level. In the context, the Montréal plant must maximize its efforts to improve its position in North America and in the world as the corporate head office allocates production quotas commensurate with the cost-quality ratio achieved at the local level. This

corporate strategy creates lots of uncertainty among the units worldwide and requires them to become very flexible at the organizational level. To reduce uncertainties, the Montréal plant decided to opt for a continuous improvement process and tight cost control in order to become one of the best-performing units in the group. In the case of dry yeast manufacturing, the competition was so strong that the plant found it necessary to create a new category of workers with a salary cut of 20 per cent in order to recover the production allocated to a unit in Portugal a few months earlier.

For the union, the creation of this category divided employees into two camps. One wanted to maintain the existing safety net on the internal job market, but this was not without a high risk of negative fallout on employment. The other, which ended up carrying the day, had set objectives to internalize the external pressures by accepting a reduction in salaries, but with formal guarantees that the local management would revive its expansion plan and possibly hire a greater number of employees.



Subcontracting in the Manufacturing Sector

A QUEBEC-ONTARIO COMPARISON

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Study Context

The debate surrounding section 45 of the Quebec *Labour Code* and its impacts on subcontracting in Quebec has been going on for some time. The consultations carried out within the framework of the Mireault report (Mireault et al. 1997) and the 2001 revision of the *Labour Code* gave rise to bitter exchanges between management and unions. While one side wanted greater relaxation of the provisions of section 45 in order to make subcontracting easier, the other sought instead to make the provisions stricter, or at least maintain them as they were.

One of the striking aspects of this debate is the little amount of scientific study and the lack of factual data on subcontracting in unionized environments in Quebec. The majority of the research dealing with this issue is carried out from an essentially legal angle,¹ emphasizing

decisions relative to section 45.² But is there in fact a link between section 45 and the quantity or the diversity of subcontracting in the province? Is less subcontracting done in Quebec than elsewhere as a result of section 45?

Establishing a causal link between section 45 and subcontracting in Quebec remains an extremely difficult, if not an hazardous exercise. There are very little recent data on the practice of subcontracting in Quebec companies, whether unionized or not. No data have been made available on subcontracting in Quebec or in Canada by the Institut de la statistique du Québec or Statistics Canada. Comparative data between Quebec and its neighbours would provide certain answers to the question of whether section 45 really decreases the level of subcontracting in Quebec, even if other provinces have equivalent legislative provisions

— The author wishes to thank the Fédération des travailleurs et des travailleuses du Québec for sponsoring the survey for this research. The author particularly wishes to thank Isabelle Poirier, a student completing her Master's degree in industrial relations; Dominique Savoie, head of research with the FTQ; and André Poirier from the Écho Sondage firm, who carried out the telephone survey. The author also wishes to thank all those who provided sound comments and valuable suggestions after reading the preliminary version.

¹ Other studies deal more specifically with collective agreement provisions on subcontracting (see Jalette and Warrian 2002, for instance).

² See, for instance, the work of Routhier-Boudreau (2002), of Chabot, Grant and Mallette (2001) as well as the work of Constantin and Villaran (1999).

(Mireault et al. 1997; Chabot et al. 2001).

Without providing any definitive answers to the causal link question, such a comparison would certainly be likely to further the debate.

There are two studies that do provide some answers regarding subcontracting in Quebec in comparison to what is being done elsewhere in Canada. First, Aubert, Patry and Rivard (1999) carried out an enquiry with municipalities across Canada aiming at assessing the extent to which these municipalities subcontracted their activities. The authors concluded that "The outsourcing profile of Canadian municipalities is, however, very similar for all the regions studied" [translation]. Another study (Halley 2000), sponsored by the Canadian Federation of Independent Business, and carried out with member companies from the manufacturing and transportation industries and in part from the service industry, showed that 66.9 per cent of the Canadian companies taking part in the study acknowledged having outsourced contracts to subcontractors, and 64.2 per cent said they had done subcontracting work for another company. Only 19.6 per cent of respondents stated that they had never outsourced work or acted as a subcontractor. As for any differences between Quebec and the rest of Canada, the data were quite ambivalent. In many of the seven activities studied, fewer Quebec companies subcontracted. However, the amount of subcontracts granted was greater in Quebec over the three years studied. Based on these few available empirical studies, the existence of a significant difference between subcontracting levels in Quebec and elsewhere in Canada is far from established. The importance of the current debate, the limitations of past studies and the absence of official data amply justify pursuing in-depth research in the field.

Methodology

Objectives

This research has two objectives:

- 1) to assess the practice of subcontracting in Quebec companies and
- 2) to compare the situation in Quebec to the one prevailing elsewhere in order to establish whether the Quebec situation is different.

Research Strategy

To reach these objectives, a certain number of research choices were made.

First, the research was limited to one specific sector, manufacturing. Focusing on a single sector is justified by the fact that the subcontracting phenomenon takes on various forms and the stakes are somewhat different depending on the sector. The subcontracting issue is not perceived in the same way in the private and public sectors, or in the manufacturing and services sectors. It is easier to target research on one sector in order to measure its subcontracting level properly. Manufacturing was selected because subcontracting is practised by a large proportion of establishments—approximately two out of three establishments, according to Halley (2000)—and it is an industry greatly exposed to international competition, where establishments are likely to introduce innovations, such as subcontracting, in production management (see, for instance, Lapointe et al. 2001; Bélanger et al. 2002).

The second decision to be made concerned the selection of which province should be compared to Quebec. Ontario was chosen for various reasons. The province is traditionally used in comparisons with Quebec because of its proximity and the size of its economy.

Selecting Ontario is also interesting because of the contrast that exists at the political level (until recently, at least): the Progressive Conservative government in Ontario was known for its neo-liberal policies regarding labour, while Quebec policies were seen as being more toward the centre of the political spectrum.

The last important decision regarding research strategy was to choose the data collection method to be used to reach our objectives. We decided to conduct a telephone survey. This method seemed to be the quickest and most effective, taking into account the nature of the survey and the unavoidable budget and time constraints involved in such research.

To sum up, the research strategy consisted of conducting a telephone survey with establishments from the manufacturing sector located in Quebec and in Ontario.

Sample Selection

The manufacturing sector establishments targeted by the telephone survey were chosen from the four following subsectors:

The analysis was done using a random stratified sample. The objective was to contact 100 establishments in each of the four subsectors in each province, or 800 establishments in all. In each stratum, we had to get in touch with 33 establishments having fewer than 50 employees, 33 establishments having 50 to 199 employees, and 33 establishments having 200 employees or more. The structure of the manufacturing sector being different in Quebec and Ontario, the sampling strategy prevents the skewing of the results. Weighting of results according to the distribution of the local establishments would increase total representativeness but would also increase potential effect of the different industrial structures.

Survey Frame

The names and addresses of the Quebec and Ontario establishments to be contacted were provided by Dun & Bradstreet. The database consisted of Canadian companies whose main activity is manufacturing.

Primary manufacturing

- wood products
- paper
- petroleum and coal products
- non-metallic mineral products
- primary metal manufacturing

Labour-intensive tertiary manufacturing

- food
- beverages
- textile mills
- textile products mills
- clothing
- leather and allied products
- furniture and related products
- various manufacturing activities

Secondary manufacturing

- chemical products
- rubber and plastic products
- metal products

Capital-intensive tertiary manufacturing

- printing and related support activities
- machinery
- computer and electronic products
- materials, electrical devices and components
- transportation equipment

Questionnaire

A questionnaire was developed for the purposes of this survey.³ Other than the general identification questions, the questions dealt with nine activities in which the establishment was likely to be involved in the normal course of its operations:

- 1) machining of parts, product manufacturing and assembly;
- 2) equipment maintenance;
- 3) product transportation;
- 4) cleaning services;
- 5) security services;
- 6) food services;
- 7) financial services (payroll, accounting, etc.);
- 8) computer services;
- 9) administrative support (secretarial, clerks, etc.).

For each activity, the interviewer asked the respondent whether this activity was carried out entirely, in part or not at all by the establishment's employees. Depending on the establishment's situation, the interviewer asked respondents why the activity in question was not outsourced, why subcontractors were not used more frequently, and what problems occurred when the activity was outsourced. In order to make things easier for the respondents, we took their spontaneous answers to these questions, except those pertaining to the machining of parts, product manufacturing and assembly, for which a list of a dozen possible answers was provided. The answers were then submitted one by one to the respondent. The use of open questions regarding the other eight activities, to which the respondent answered spontaneously without any answers being suggested, allowed us to

pinpoint motives we had not previously considered and test the validity of the motives we had already identified. The questionnaire was first designed in French and then translated into English. A pretest was carried out with approximately 10 establishments to validate the questionnaire's content. Certain aspects needed to be clarified, specifically by restating some questions and adding answer choices. The time required to complete the questionnaire was about 10 minutes. In almost half the cases, the establishment's respondent was the human resource manager. In the other cases, the respondent was the owner or the president of the company, the plant manager or the production manager.

Interview Schedule

The telephone interviews were carried out between August 18 and September 12, 2003, from the call centre of the Montréal firm Écho Sondage, which was in charge of conducting the survey.

Response Rate and Sample

The response rate was 58 per cent. In Quebec, the quotas were reached in every subsector. In Ontario, only one sectoral objective was not reached in the secondary manufacturing subsector. The survey also registered incomplete quotas among small establishments, several of which were no longer in operation. Table 1 presents the number of survey respondents by industry subsector, establishment size and province.

Margin of Error

The maximum margin of error for the sample of 440 Quebec companies is ± 4.7 per cent, with a confidence level of 95 per cent. The

³ The author will provide the questionnaire upon request.

maximum margin of error for the sample of 405 Ontario companies is ± 4.9 per cent.

Respondent Profile

Table 1 presents the respondent establishment profile based on various characteristics. The breakdown of the respondents by subsector and size is relatively similar from one province to the other. The main difference is union presence. In Quebec, 44.3 per cent of the sampled establishments are unionized, while only 30.6 per cent of the Ontario establishments are unionized. This difference between union rates in the two provinces is similar to the one observed by Girard (2002). However, data provided by Statistics Canada lead us to believe that our sample probably over-represents the proportion of unionized establishments among the population, especially in Ontario. This over-sampling nevertheless implies that the margin of error of our survey will be smaller with regard to the unionized establishments. This is useful,

considering that the main objective of the research is to assess and compare subcontracting in Quebec, specifically in unionized establishments subject to section 45.

Results

The survey results are described below. The first section discusses general indicators on the volume of subcontracting activity in Quebec and Ontario. The second section presents detailed results by activity. The third section describes the motives, or reasons, behind establishments' decisions not to subcontract or to cease doing so.

General Subcontracting Indicators

Table 2 shows the average number of subcontracting activities per establishment. For each establishment, the total number of subcontracting activities was established by adding up the activities that were in fact outsourced⁴ among

Table 1
Number of Establishments Participating in the Survey
by Province, Manufacturing Subsector, and Establishment Size

	Quebec		Ontario		Total	
	%	N	%	N	%	N
Total number of establishment respondents (N)	100.0	440	100.0	405	100.0	845
Subsector of the manufacturing industry						
• Primary manufacturing	29.3	129	28.6	116	29.0	245
• Secondary manufacturing	23.6	104	21.0	85	22.4	189
• Labour-intensive tertiary manufacturing	23.9	105	24.4	99	24.1	204
• Capital-intensive tertiary manufacturing	23.2	102	25.9	105	24.5	207
Size						
• 1–49 employees	26.8	118	28.4	115	27.6	233
• 50–199 employees	35.0	154	36.8	149	35.9	303
• 200+ employees	38.2	168	34.8	141	36.6	309
Unionized establishments	44.3	195	30.6	124	37.8	319

⁴ An activity was considered as being outsourced if it was subcontracted entirely or in part.

Table 2**Average Number of Activities Outsourced**

	Quebec		Ontario	
	%	N	%	N
Establishments Overall	3.0	440	2.7	405
• 1-49 employees	2.5	118	2.2	111
• 50-199 employees	3.1	149	2.9	144
• 200+ employees	3.3	163	3.0	132
• Unionized	3.2	195	3.2	124
• Non-unionized	2.9	245	2.5	281

about half as many Quebec establishments never outsource. Moreover, in both provinces, it seems that there are more non-unionized establishments (approximately four times more) than unionized establishments where none of the activities considered in the survey is subcontracted. It is possible that the higher labour costs in a unionized environment constitute a direct incentive to subcontract.

However, this difference may be speculative.

the nine activities surveyed. On average, the Quebec establishments outsource more activities than their Ontario counterparts. However, these differences are not very significant, regardless of the size of the establishment or the presence of a union.

Table 3 shows the distribution of establishments according to the number of activities they subcontract. In Quebec, 95.2 per cent of establishments outsource at least one activity, while 87.9 per cent of establishments in Ontario participate in outsourcing. Consequently,

One last indicator for the overall measurement of subcontracting in Quebec and Ontario is where one manufacturing establishment acts as a subcontractor for other establishments. Table 4 shows that Quebec has more establishments acting as subcontractors, although the difference is slim. In both provinces, it seems that non-unionized firms are more likely to act as subcontractors, probably because of their lower labour costs. Smaller establishments are also more likely to act as subcontractors.

Table 3**Distribution of Establishments by Number of Activities Outsourced**

	Quebec						Ontario					
	Number of Activities						Number of Activities					
	0 %	1-2 %	3-4 %	5-6 %	7-8 %	N	0 %	1-2 %	3-4 %	5-6 %	7-8 %	N
Establishments Overall	4.8	31.4	48.2	14.7	0.9	440	12.1	28.9	44.2	14.6	0.2	405
• 1-49 employees	11.9	38.1	39.0	11.0	0.0	118	23.5	27.0	40.8	8.7	0.0	115
• 50-199 employees	2.6	32.5	50.0	14.2	0.6	154	8.7	28.9	46.9	15.5	0.0	149
• 200+ employees	1.8	25.6	53.0	17.9	1.8	168	6.4	30.5	44.0	18.5	0.7	141
• Unionized	1.5	28.2	53.8	14.9	1.5	195	4.0	26.6	49.2	19.3	0.8	124
• Non unionized	7.3	33.9	43.7	14.7	0.4	245	15.7	29.9	42.0	12.0	0.0	281

Caution must be used to interpret these results, considering the margins of error involved.

Finally, Table 5 sheds additional light on the situation by combining the last two indicators. This reveals that 3.4 per cent of the establishments surveyed in Quebec and 7.9 per cent of those surveyed in Ontario do not outsource any activities and do not act as subcontractors for other companies. In other words, over 96 per cent of Quebec establishments and over 92 per cent of Ontario establishments from the manufacturing sector use subcontractors or are subcontractors.

Table 5

Establishments That Do Not Outsource Any Activity and Do Not Act as Subcontractors for Other Companies

	Québec		Ontario	
	%	N	%	N
Establishments Overall	3.4	440	7.9	405

Outsourced Activities

Table 6 presents more detailed results by activity. For the large majority of activities, there does not seem to be any significant difference between Quebec and Ontario. Four activities—administrative support, financial, computer and food services—are outsourced in very similar proportions in both provinces. The first three functions are for the most part carried out in-house, while food services are mainly outsourced.⁵ Differences between Quebec and Ontario are also slim with respect to equipment maintenance, product transportation and cleaning services, considering the

Table 4

Establishments Acting as Subcontractors for Other Companies

	Quebec		Ontario	
	%	N	%	N
Establishments Overall	34.2	430	31.3	387
• 1–49 employees	41.5	118	46.8	111
• 50–199 employees	39.6	149	33.3	144
• 200+ employees	23.9	163	15.9	132
• Unionized	26.7	187	26.1	119
• Non-unionized	39.9	243	33.6	268

margins of error associated with these results. The only difference that seems to be significant between the two provinces concerns machining

of parts, manufacturing and assembly: the proportion of establishments that subcontract this activity entirely or in part is greater among Quebec than among Ontario establishments. Another

significant difference exists

in security services, but these results are based on a more limited number of observations.

In Table 7, outsourced activities are divided according to the presence or absence of a union in the establishment. In Quebec, the differences between unionized and non-unionized environments are quite slim when the results for each activity are examined individually. Although some results seem to show that unionized establishments subcontract a little more than non-unionized establishments such a conclusion remains subject to caution due to the margins of error associated with these results. The

⁵ Caution must be used when interpreting the result concerning food services due to the small number of cases involved.

Table 6
Distribution of Establishment Activities, Outsourced or Not

	Quebec				Ontario			
	Outsourced Activities			N	Outsourced Activities			N
	entirely %	in part %	not at all %		entirely %	in part %	not at all %	
Machining of parts, manufacturing and assembly	8.6	37.1	54.3	420	3.4	17.0	79.6	383
Equipment maintenance	1.6	35.9	60.2	430	5.6	42.1	52.3	392
Product transportation	53.4	27.6	19.0	406	44.5	27.6	27.9	355
Cleaning services	35.1	14.3	50.6	433	37.1	18.9	44.0	391
Security services	44.0	8.8	47.3	91	70.1	6.0	23.9	67
Food services	71.6	12.5	15.9	88	80.3	4.9	14.8	61
Financial services	8.9	22.0	69.1	437	9.1	17.0	73.9	394
Computer services	14.6	20.6	64.7	417	13.9	22.2	63.9	374
Administrative support	2.4	2.6	95.0	422	1.6	3.7	94.7	374

trend of similarity between both sectors is also observed in Ontario, except for activities such as equipment maintenance, product transportation and cleaning services, which are outsourced slightly more often by unionized establishments, probably because of the higher in-house labour costs.

Motives

Table 8 presents the motives given by the establishments as to why an activity is not outsourced at all or not outsourced more often. Concerning the machining of parts, manufacturing and assembly,⁶ the reason most often stated in both provinces is simply that the company never considered this possibility. It seems that Quebec establishments, proportionally, have given more thought to this option than their Ontario counterparts, which could

explain why this activity is subcontracted more often in Quebec (see Table 6). The wish to fully use the skills available in-house in order to keep from losing them is the second most important motive in both provinces. The difficulty in finding a company capable of meeting quality specifications and criteria, the wish to avoid layoffs, as well as an insufficient production volume and the non-relevance of subcontracting represent the other most frequently stated motives in both provinces.

As for the other activities, it is important to note that a significant proportion of respondents spontaneously mentioned two motives that were not part of the pre-established list: the necessity of employing one person in-house permanently to oversee an activity; and the ease, the speed and the simplicity associated with retaining the activity in-house. The wish

⁶ For each motive, the respondent had to choose one of three answers: entirely, in part, or not at all. The numbers presented here were compiled by adding the "entirely" answers to the "in part" answers.

Table 7

**Distribution of Establishment Activities, Outsourced or Not,
According to the Presence of a Union**

	Quebec				Ontario			
	Outsourced Activities			N	Outsourced Activities			N
	entirely %	in part %	not at all %		entirely %	in part %	not at all %	
• Machining of parts, manufacturing and assembly	5.4	41.1	53.5	185	0.0	13.2	86.8	121
	11.1	34.0	54.9	235	5.0	18.7	76.3	262
• Equipment maintenance	0.0	40.7	59.3	194	4.2	55.0	40.8	120
	7.2	31.8	61.0	236	6.3	36.4	57.4	272
• Product transportation	61.9	27.1	11.0	181	57.8	28.4	13.8	109
	46.7	28.0	25.3	225	38.6	27.2	34.1	246
• Cleaning services	38.5	17.9	43.6	195	47.1	25.6	27.3	121
	32.4	11.3	56.3	238	32.6	15.9	51.5	270
• Security services	44.1	8.5	47.5	59	77.8	5.6	16.7	36
	43.8	9.4	46.9	32	61.3	6.5	32.3	31
• Food services	78.0	12.2	9.8	41	79.3	3.4	17.2	29
	66.0	12.8	21.3	47	81.3	6.3	12.5	32
• Financial services	1.5	22.1	76.4	195	6.6	16.5	76.9	121
	14.9	21.9	63.2	242	10.3	17.2	72.5	273
• Computer services	10.3	22.7	67.0	194	13.7	17.1	69.2	117
	18.4	18.8	62.8	223	14.0	24.5	61.5	257
• Administrative support	0.5	3.7	95.8	191	0.8	6.5	92.7	123
	3.9	1.7	94.4	231	2.0	2.4	95.6	251

Unionized.

Non-unionized.

to use these skills in-house in order to avoid losing them was another of the motives most often mentioned in both provinces, in keeping with the results concerning the machining of parts, manufacturing and assembly activity.

Finally, it is important to point out that labour regulations—the collective agreement, the *Labour Code* or labour standards—remain of marginal significance in the decision not to

outsource an activity or not to outsource it more often, no matter the activity or the province in question.

Table 9 distinguishes between the reasons given by respondents in unionized and non-unionized establishments. As for the machining of parts, manufacturing and assembly, the motive most often mentioned, whether the establishment is unionized or not, is that the establishment

Table 8

**Motives Given by the Establishments as to Why They Do Not Subcontract
or Do Not Subcontract More Often**

	Quebec		Ontario	
	%	N	%	N
• The company has a no subcontracting policy	30.9	168	9.9	101
	4.3	116	1.5	32
• Difficulties in finding a company able to meet quality specifications and criteria	47.6	168	34.7	101
	3.1	84	2.3	49
• The company does not have the necessary production volume	41.1	170	39.6	101
	1.1	30	1.3	28
• Outsourcing this type of work is too expensive	42.0	169	30.7	101
	8.0	219	10.2	214
• Subcontracting is not an appropriate method	43.9	164	32.0	100
	5.7	155	5.3	112
• The skills are available in-house and we do not want to lose them	66.1	171	48.5	99
	20.1	550	36.4	767
• The company does not want to make layoffs	54.1	172	37.7	98
	1.4	38	0.1	1
• This would lead to difficulties with the employees	32.7	171	32.3	99
	0.7	18	0.1	1
• The collective agreement does not allow it	26.3	114	30.0	40
	2.0	55	1.5	32
• The <i>Labour Code</i> makes subcontracting difficult	11.3	115	15.0	40
	0.6	15	0.2	4
• The labour standards make subcontracting difficult	9.5	169	12.1	99
	0.4	10	0.1	3
• Someone needed in-house permanently	---	---	---	---
	18.4	503	11.0	231
• A matter of organization: faster, easier, simpler to maintain the activity in-house	---	---	---	---
	25.9	708	11.0	232
• Other	---	---	---	---
	4.6	126	13.2	277
• The company did not consider subcontracting	62.6	302	83.4	302
	3.8	104	5.8	122

Machining – Grouping the answers obtained for the activities concerning the machining of parts, manufacturing and assembly with those obtained for the other activities was not possible because the questions asked were not the same. In the case of the first activity, multiple choices were offered to the respondent; that is, he or she was asked whether any of the items ever constituted a motive to not subcontract or not subcontract more often. For each of the other activities, the respondents were instead asked what the two main motives were as to why the activity was not outsourced or why it was not outsourced more frequently. The respondents had to spontaneously provide an answer.

Other activities – The answers provided for each activity were added up. In total, the Quebec unionized respondents gave 1,289 motives and non-unionized respondents gave 1,442 motives. As for Ontario, the totals were 638 motives for unionized establishments and 1,467 motives for non-unionized establishments. The proportions are expressed according to these totals and not according to the number of respondents, as is the case for the numbers on the machining of parts, manufacturing and assembly activity.

Table 9
Motives Given by the Establishments as to Why They Do Not Subcontract
or Do Not Subcontract More Often, According to Union Presence

	Quebec				Ontario			
	Unionized %	N	Non- unionized %	N	Unionized %	N	Non- unionized %	N
• The company has a no subcontracting policy	38.2	81	24.1	87	15.6	32	7.2	69
	4.7	61	3.8	55	1.1	7	1.7	25
• Difficulties in finding a company able to meet quality specifications and criteria	41.2	82	43.2	86	31.2	32	36.2	69
	3.3	42	2.9	42	3.0	19	2.0	30
• The company does not have the necessary production volume	38.5	83	43.7	87	31.3	32	43.4	69
	0.1	1	2.0	29	0.5	3	1.7	25
• Outsourcing this type of work is too expensive	39.5	81	44.4	88	35.5	31	28.6	70
	8.7	112	7.4	107	9.4	60	10.5	154
• Subcontracting is not an appropriate method	39.2	79	48.3	85	19.3	31	37.6	69
	5.2	67	6.1	88	4.2	27	5.8	85
• The skills are available in-house and we do not want to lose them	71.1	83	61.4	88	48.4	31	48.6	68
	17.8	230	22.2	320	36.7	234	36.3	533
• The company does not want to make layoffs	62.6	83	46.1	89	33.3	30	39.7	68
	1.2	15	1.6	23	0.0	0	0.1	1
• This would lead to difficulties with the employees	50.6	83	15.9	88	38.8	31	29.4	68
	0.9	12	0.4	6	0.0	0	0.1	1
• The collective agreement does not allow it	36.7	79	2.9	35	35.5	31	11.1	9
	3.9	50	0.4	5	4.6	29	0.2	3
• The Labour Code makes subcontracting difficult	13.9	79	5.6	36	13.3	30	20.0	10
	0.2	2	0.9	13	0.5	3	0.1	1
• The labour standards make subcontracting difficult	14.6	82	4.6	87	10.0	30	13.0	69
	0.4	5	0.4	5	0.2	1	0.1	2
• Someone needed in-house permanently	--	--	--	--	--	--	--	--
	20.7	267	16.4	236	12.4	79	10.4	152
• A matter of organization: faster, easier, simpler to maintain the activity in-house	--	--	--	--	--	--	--	--
	25.9	334	25.9	374	8.8	56	12.0	176
• Other	--	--	--	--	--	--	--	--
	3.9	50	5.3	76	5.6	36	5.9	86
• The company did not consider subcontracting	57.5	127	66.3	175	83.2	95	83.6	207
	3.2	41	4.4	63	13.2	84	13.2	193

■ Machining – Grouping the answers obtained for the activities concerning the machining of parts, manufacturing and assembly with those obtained for the other activities was not possible because the questions asked were not the same. In the case of the first activity, multiple choices were offered to the respondent; that is, he or she was asked whether any of the items ever constituted a motive to not subcontract or not subcontract more often. For each of the other activities, the respondents were instead asked what the two main motives were as to why the activity was not outsourced or why it was not outsourced more frequently. The respondents had to spontaneously provide an answer.

Other activities – The answers provided for each activity were added up. In total, the Quebec respondents gave 2,731 motives and the Ontario respondents gave 2,105 motives. The proportions are expressed according to these totals and not according to the number of respondents, as is the case for the numbers on the machining of parts, manufacturing and assembly activity.

never considered subcontracting the activity or subcontracting it more often. The availability of the skills in-house and the wish to avoid layoffs also represent significant motives in both unionized and non-unionized companies. Reasons related to work relations and labour regulations—difficulties with the establishments, collective agreement, *Labour Code*, labour standards—seem to come up more often in unionized environments, where subcontracting is more regulated and discussed more openly. However, once again, it is difficult to find any significant differences, considering the few observations made.

The same results can be seen for the other activities. There really is no significant difference between unionized and non-unionized environments with regard to the motives identified, whether in Quebec or Ontario. The majority of companies have not considered the issue; they want to use the skills available in-house in order to avoid losing them; they need someone in-house permanently; or they believe that it is simpler, easier and quicker to maintain the activity in-house. In both provinces, the motives related to labour regulations seem to have little impact on subcontracting decisions.

Conclusion

The study of the subcontracting phenomenon in establishments from the manufacturing sector in Quebec and in Ontario led to three broad findings.

The first finding is that subcontracting practices in Quebec do not markedly differ from those in Ontario. The subcontracting indicators show that in several respects, Quebec establishments outsource more activities than Ontario establishments, but these differences are not all significant. Activities concerning the machining of parts, manufacturing and assembly

are more often subcontracted in Quebec than in Ontario.

The second finding is that the differences between unionized and non-unionized establishments are relatively slim in both Quebec and Ontario. There are mixed results at this level. While unionized establishments subcontract more often than non-unionized establishments, the latter act more often as subcontractors. Moreover, it is possible that the size of the establishments plays a role in any differences between unionized and non-unionized establishments.

The third finding is that there is no obvious difference between Quebec and Ontario in the companies' consistency and experience with subcontracting. As for the motives for not subcontracting in both provinces, many establishments prefer making full use of the skills available in-house, and some believe they need someone in-house permanently to carry out an activity. For others, it is often simpler, quicker and easier to maintain the activity in-house. A greater proportion of Quebec establishments than Ontario establishments seem to have considered the possibility of subcontracting a few of their activities. Considering the background to this research, we should point out that the "non-subcontracting" motives related to labour regulations—collective agreements, the *Labour Code* and labour standards—remain of marginal significance in both provinces.

What answers does this research offer to the question of whether less subcontracting takes place in Quebec because of section 45 of the *Labour Code*? This study did not aim to establish such a causal link. Instead, the goal was to assess the practice of subcontracting in Quebec compared with Ontario. As for subcontracting itself, the study shows that this production organization method is widespread

in Quebec: over 96 per cent of the establishments surveyed either subcontract or act as a subcontractor, and they outsource an average of three of the activities included in the survey. The practice of subcontracting in Quebec is therefore far from limited.

Moreover, this study tends to show that the practice of subcontracting in the manufacturing sector is very similar in Quebec and Ontario. At first glance, the differing legislative context does not seem to have created important differences. Much more significant differences would have had to be observed to consider the legislative context a potential explanatory factor. More in-depth studies are needed to examine the link between labour legislation and the practice of subcontracting.

This study advances our knowledge of subcontracting in Quebec organizations. The sample of organizations studied is one of the largest ever surveyed on this subject in the manufacturing sector in Quebec and in Ontario. The questionnaire developed contains the most sophisticated measures to define a phenomenon that is not always easy to report on. Despite its limitations (only one sector studied, survey frame coverage, etc.), this research will certainly enable discussions on subcontracting in Quebec to move forward. This research will have achieved valuable success if it stimulates the production of other studies and enquiries on this issue.

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Selection of Recent Changes in Canadian Labour Laws

Adopted Bills, Regulations and Other Statutory Instruments

MICHEL GAUVIN, CHARLES PHILIPPE ROCHON and ANNICK DELISLE

*Strategic Policy and International Labour Affairs
Labour Program*

Federal: *Public Service Modernization Act*; Bill C-25; Assented to November 7, 2003

The purpose of this Bill is to modernize staffing procedures, labour relations, learning and human resources management in the public service.

With respect to labour relations, the *Bill* will provide for a new *Public Service Labour Relations Act* (Part 1 of the *Public Service Modernization Act*), which will bring many changes to the current legislation, while maintaining the existing basic labour relations framework.

Current Law Replaced

The *Public Service Labour Relations Act* will replace the *Public Service Staff Relations Act*.

Preamble

A new preamble will underscore the value of cooperative labour relations, within a context where protection of the public interest remains paramount.

Consultation and Co-development of Workplace Improvements

The new *Act* will require each deputy head, in consultation with bargaining agents, to establish a labour-management committee for their department for the purpose of exchanging information and obtaining views and advice on workplace issues affecting the employees. Such issues may include

harassment in the workplace and the disclosure of information concerning wrongdoing in the public service and the protection from reprisal of employees who disclose such information.

The *Act* will also include an enabling provision whereby the employer or deputy heads may engage in co-development of workplace improvements with bargaining agents, through the National Joint Council (NJC) or any other forum they choose. Co-development of workplace improvements will be defined as "the consultation between the parties on workplace issues and their participation in the identification of workplace problems and the development and analysis of solutions to those problems with a view to adopting mutually agreed to solutions."

New Public Service Labour Relations Board (PSLRB)

The PSLRB will replace the Public Service Staff Relations Board. Its mandate will be broadened to provide adjudication, mediation and compensation analysis and research services. It will also continue to provide facilities and administrative support to the NJC, which will be recognized in the *Act*.

Adjudication services will consist of the hearing of applications and complaints dealing with labour relations and occupational health and safety matters, and the referral of grievances to adjudication.

— Please note that this article is based on labour legislation adopted or proclaimed before November 25, 2003.

Mediation services will assist the employer and bargaining agents in concluding a collective agreement, in managing their relations while a collective agreement is in force and in mediating in relation to grievances. Compensation analysis and research services will consist of conducting compensation surveys, compiling and analyzing compensation data, and sharing the information with the parties and the public, as well as conducting market-based compensation research that the Chairperson of the PSLRB may require. An advisory board will be established to provide advice to the Chairperson on the compensation analysis and research services provided by the Board.

Elimination of Certain Exclusions

Lawyers hired by the Department of Justice or the Canada Customs and Revenue Agency and employees of the Treasury Board Secretariat will no longer automatically be considered to be in managerial or confidential positions and, as such, be excluded from collective bargaining. Rather, the employer may apply to the PSLRB for an order declaring that any position is a managerial or confidential position under the *Act*. If an objection is filed by an employee organization seeking to be certified or the bargaining agent in respect of a position, the PSLRB will, after giving the parties an opportunity to make representations, make a determination on a case-by-case basis, depending on the particular functions involved. A transitional provision will ensure that non-excluded Department of Justice and Canada Customs and Revenue Agency lawyers are given the choice of whether they wish to be represented by a bargaining agent.

When the position of an employee in a bargaining unit for which a bargaining agent has been certified is proposed for exclusion by the employer and the bargaining agent files an objection, the membership dues paid by the employee will be held by the employer pending a determination by the PSLRB. If the Board concludes that the position must be excluded or if the objection is withdrawn, the dues held by the employer will be remitted to the

employee; otherwise, they will be remitted to the bargaining agent.

Management Rights

Management rights will remain unchanged. The employer will retain the right to determine its own organization, the assignment of duties and classification of positions.

Scope of Bargaining

The scope of bargaining will not change. Matters which currently are not bargainable—notably matters provided for by the *Public Service Superannuation Act* and the *Public Service Employment Act* (e.g. staffing)—will remain non-bargainable.

Two-tier Bargaining

Two-tier bargaining will allow for service-wide bargaining to set the broad parameters for terms and conditions of employment in a bargaining unit, while permitting precise details to be negotiated in departments, if the employer, bargaining agent and deputy head jointly agree. It is designed to result in terms and conditions more appropriately tailored to the needs of the parties.

Mediation

The new *Act* will enable the PSLRB Chairperson, upon request or on his/her own initiative, to appoint a mediator at any time to assist the parties in resolving a collective bargaining dispute. The techniques at the disposal of the latter will include mediation, fact-finding and facilitation. The mediator will be able to make recommendations for resolving the dispute, if requested by the Chairperson or the parties.

Mediation services will also be available to assist parties to resolve grievances.

Choice of Dispute Resolution Process

A bargaining agent will continue to be able to choose which dispute resolution process—binding arbitration or conciliation—it wishes to apply to resolve an impasse in collective bargaining.

Arbitration

When the process for the resolution of a collective bargaining dispute is arbitration, the factors to be considered by the arbitration board will be broadened to include the state of the Canadian economy and the Government of Canada's fiscal circumstances.

Enhanced Conciliation

When the process for the resolution of a dispute is conciliation, conciliation boards and conciliation commissioners will be replaced by public interest commissions. A public interest commission (PIC) will be a non-permanent body consisting of one or three persons, appointed by the Minister responsible, to assist the parties to resolve their dispute and to make recommendations for settlement. The Chairperson of the PSLRB will be able to recommend to the Minister the appointment of a public interest commission either at the request of one of the parties or on his/her own initiative.

If a public interest commission is to consist of one person, that person will be appointed from a list of persons jointly recommended by the parties plus, if necessary, persons chosen by the Chairperson of the PSLRB after consultation with the parties. If either party requests that the PIC consist of three members, each party will nominate a person and the two nominees will jointly select a chair from the list (the Minister will nominate a person and/or select a chair from the list, if there is failure to do so).

The factors to be considered in making a PIC report will be the same as for arbitration (see the preceding sub-title). The PIC may be appointed even if the parties have not yet concluded or amended an essential services agreement—both procedures may take place simultaneously.

Essential Services

The current essential services provisions, applicable when the collective bargaining dispute resolution process is conciliation, will be replaced by new ones.

Essential services will continue to be based on the safety or security of the public. The employer will continue to have the exclusive right to establish the level at which an essential service must be provided (e.g. the employer may determine the extent and frequency of essential services).

If the employer has given notice to the bargaining agent that employees in the bargaining unit occupy positions considered necessary to provide essential services, the parties will be required to negotiate and make every reasonable effort to enter into an essential services agreement (ESA), determining the types and number of positions needed to provide the essential services at the levels determined by the employer and identifying the specific positions in question. If they are unable to do so, either of them may apply to the PSLRB to determine any unresolved matter. ESAs may be amended from time to time by the parties or, if they are unable to do so, by the Board upon application by either of them. The *Act* will also provide that the employer or bargaining agent may apply to the PSLRB to temporarily amend, or suspend, an ESA in cases of emergency.

Procedures for notifying employees that they provide essential services will be streamlined by allowing the employer to give a one-time notification. The notice will remain valid so long as the employee continues to occupy the position, unless the employer notifies him/her that the position is no longer necessary to provide essential services.

The right to strike will not be acquired until 30 days after an ESA has been concluded or amended. No employee who occupies a position necessary to provide essential services will be allowed to participate in a strike. It will be prohibited for any person to impede or prevent employees who provide essential services from entering or leaving their place of work.

Strike Votes

Provisions similar to those added to the *Canada Labour Code* in 1999 will require a bargaining agent to hold a secret ballot vote in order to obtain approval for a strike. The *Act* will ensure that all bargaining unit employees have the right to vote and are given reasonable opportunity to vote. To be valid, a strike vote will have to be held within the 60 days (or any longer period agreed to by the parties) preceding any strike. A majority of those voting will have to be in favour of a strike before it may be declared.

Unfair Labour Practices

Similar to the *Canada Labour Code*, the unfair labour practices provisions will be more comprehensive, including more detailed provisions as to what constitutes prohibited actions by the employer or an employee organization. A provision will state that it does not constitute an unfair labour practice for the employer to permit employees to attend to the business of an employee organization during hours of work.

Prohibitions and Enforcement

The prohibitions provisions will be more comprehensive, including express authority for the PSLRB to make certain compliance orders relating to illegal strikes, as is the case for the Canada Industrial Relations Board under the *Canada Labour Code*.

Informal Conflict Management System

Each deputy head in the core public administration will be required, in consultation with bargaining agents representing employees in the department or organization, to establish an informal conflict management system and inform the employees in the department or organization of its availability.

Grievances Related to Discrimination

Employees will no longer be prevented from grieving if the grievance involves an issue of discrimination, except as it relates to the right to

equal pay for work of equal value. If discrimination is an aspect of a grievance that is referred to adjudication, the adjudicator will be able to interpret and apply the *Canadian Human Rights Act* and, if appropriate, give monetary relief in accordance with that Act for pain and suffering and/or special compensation where the behaviour was wilful or reckless.

If a grievance involving discrimination is referred to adjudication, the Canadian Human Rights Commission (CHRC) will receive notice of it and will have standing to make submissions to the adjudicator. This is designed to promote better decision-making by adjudicators in the area of discrimination in employment and to streamline recourse. However, the provisions of the *Act* will not prevent an employee from making a complaint to the CHRC. Also, the CHRC will continue to have the exclusive responsibility to examine complaints of systemic discrimination such as those filed in respect of the right to equal pay for work of equal value.

Complaints under Internal Policies

In order to minimize duplication, an employee who wishes to have a workplace dispute settled will have to choose between presenting a grievance or making a complaint under any applicable internal policy of the employer (such as, in the case of harassment disputes, the Treasury Board Policy on the Prevention and Resolution of Harassment in the Workplace). This requirement to choose will only apply where the internal policy expressly states that the employee gives up his/her right to present a grievance under the *Act* when he/she pursues relief under the policy.

Group and Policy Grievances

Group grievances will be allowed under the new *Act*, subject to some limitations (e.g. a group grievance may not be presented in respect of the right to equal pay for work of equal value). A group grievance will involve two or more employees in a single

department who are directly affected by the same interpretation or application of a collective agreement or an arbitral award. Employees will be able to opt into a group grievance and their bargaining agent will present the grievance. If an employee decides that he/she no longer wishes to participate in a group grievance, the employee may opt out at any time before a final decision is made.

A policy grievance may be presented by either the bargaining agent or the employer respecting the interpretation or application of a collective agreement or an arbitral award, subject to some limitations (e.g. a policy grievance may not be presented in respect of the right to equal pay for work of equal value). A party that presents a policy grievance may refer it to adjudication. If the policy grievance relates to a matter that was or could have been the subject of an individual or group grievance, an adjudicator will be limited to determining the correct interpretation or application of the collective agreement or arbitral award.

Unsatisfactory Performance and Grievance Adjudication

If an employee grieves against a termination of employment or demotion for unsatisfactory performance and refers the grievance to adjudication, new provisions in the *Act* will require the adjudicator to examine the reasonableness of the deputy head's opinion of unsatisfactory performance. Adjudicators will not be allowed to substitute their own opinion for that of the deputy head, if the deputy head's opinion is determined to have been reasonable.

Deployment Grievances

Grievances against deployment will be allowed under the *Act*. Deployment grievances will only be adjudicable when they relate to deployment without the employee's consent, where consent is required. An adjudicator will be allowed to examine the circumstances of the case to determine whether consent to being deployed was a condition of

employment or the grievor harassed another person in the course of his/her employment.

Judicial Review and Enforcement

New provisions will state that every decision of the PSLRB or an adjudicator is final and may not be questioned or reviewed in any court, except on a question of law or jurisdiction.

Other new provisions will make it possible for PSLRB or adjudicators' orders to be filed in the Federal Court for purposes of enforcement.

Restriction on Lawsuits

In order to avoid multiple legal proceedings, a provision will prevent employees from bringing civil actions in respect of disputes relating to their terms and conditions of employment. Employees may seek redress exclusively under the *Act* and the *Federal Court Act*.

Five-Year Review

There will be a requirement to review the *Act* five years after its coming into force.

Coming into Force

The provisions of the new *Public Service Labour Relations Act* will come into force on a date or dates to be set by the government.

Federal: An Act to amend the Criminal Code (criminal liability of organizations); Bill C-45, Assented to November 7, 2003

This Bill will establish a legal duty under the *Criminal Code* for all persons directing work to take reasonable steps to ensure the safety of workers and the public, and will set rules for attributing to organizations, including corporations, criminal liability for the acts of their representatives. These amendments to the *Criminal Code* will come into force on a date or dates to be set by the government.

Under current Canadian law, a corporation may be found liable for a *Criminal Code* offence, but it has largely been left to the common law, as developed through the courts, to determine the nature and scope of this liability.

In the new legislation, the term "organization" is used rather than "corporation." "Organization" includes "a public body, a body corporate, a society, a company," taken from the existing *Criminal Code* definitions, but adds "a firm, a partnership, a trade union or an unincorporated association."

The *Criminal Code* amendments build on recent reforms to Part II (Occupational Health and Safety) of the *Canada Labour Code* by imposing a legal duty on employers and those who direct work to take reasonable measures to protect worker and public safety. If this duty is wantonly or recklessly disregarded and bodily harm or death results, an organization may be charged with criminal negligence.

The *Bill* will also update the law on corporate criminal liability by ensuring that it reflects the current structures of modern organizations. Amendments will make corporations criminally liable:

- as a result of the actions of those who oversee day-to-day operations, but who may not be directors or executives;
- when officers with executive or operational authority intentionally commit, or direct employees to commit, crimes to benefit the organization;
- when officers with executive or operational authority become aware of offences being committed by other employees, but do not take action to stop them; and
- when the actions of those with authority and other employees, taken as a whole, demonstrate a lack of care that constitutes criminal negligence.

Organizations cannot be imprisoned and so the *Criminal Code* provides for fines. The new legislation will increase the maximum fine on an organization for a summary conviction, a less serious offence, from \$25 000 to \$100 000. There is currently no set limit on fines for indictable or more serious offences, and this will remain unchanged under the new legislation.

The new legislation also identifies factors that a court must consider in setting the level of fines. For example, judges will be asked to consider aggravating factors, such as the degree of planning or economic advantages gained by the organization in committing the offence. Mitigating factors may include measures taken by the organization to significantly reduce the likelihood of further criminal activity.

Under the new legislation, an organization that takes steps to ensure that it does not commit further crimes may be subject to a probation order, which may result in reduced fines in certain circumstances. A judge may elect to have the organization inform the public of the offence, the sentence and the remedial measures taken. A court may also impose conditions which may possibly avert future criminal occurrences by the organization, including the requirement to develop related policies and procedures and to appoint a senior officer to oversee their implementation.

British Columbia: *Skills Development and Labour Statutes Amendment Act, 2003*; Bill 37; Assented to October 23, 2003

In addition to amending the *Workers Compensation Act*, this Act will bring changes to British Columbia's *Employment Standards Act* (ESA). These amendments deal with many different provisions, including those pertaining to the administration of the *Act*, the banking of overtime wages and, most importantly, the hiring of children.

Employment of Children

Amendments to the ESA's provisions concerning the hiring of children were passed as part of the *Employment Standards Amendment Act, 2002*¹ but never came into force. Current provisions—which require that a permit be obtained from the Director of Employment Standards (the director) to employ a child under 15 years of age—would have been repealed and replaced by hiring or employment conditions set by regulation.

Bill 37 will repeal both the current provisions and the amendments mentioned above. A new section will require a person to obtain the written consent of a parent or guardian in order to employ a child under 15 years of age. Employing a child under 12 years of age will still require the permission of the director. The government will retain the power to make regulations establishing conditions of employment for children under 15 years of age to protect their health, safety, physical or emotional well-being, education or financial interests.

It should be noted that compulsory school attendance requirements under the *School Act* and age restrictions regarding certain occupations under occupational health and safety legislation will remain in place.

Minimum Wage Requirements

A new provision will prohibit an employer from deducting or withholding an amount from an employee's wages in one pay period to recover an amount that must be paid to the employee, in another pay period, to comply with minimum wage requirements.

Assignment of Wages

The director will no longer have the power to authorize an assignment of wages for reasons other than those specified in the ESA.

Banking of Overtime Wages

An employer will be allowed to close an employee's time bank after providing one month's notice to the employee. Within six months of closing the time bank, the employer will be required to pay the employee all overtime wages credited to the bank at the time it was closed, allow the employee to use the credited overtime wages to take time off with pay, or provide a combination of pay and time off.

In addition, the ESA will no longer require that overtime wages credited to an employee's time bank be paid or taken as time off with pay within a six-month time limit.

Administration of the ESA

Among other administrative changes, amendments contained in Bill 37 will:

- add a 30-day time limit for the director to vary or cancel a determination that has been appealed (counted from the date the director receives a copy of the appeal request);
- clarify that liability for unpaid wages extends to directors and officers of corporations, firms, syndicates or associations that are treated by the director as one employer under section 95 of the ESA; and
- require that a person who wishes to appeal a determination of the director to the Employment Standards Tribunal deliver to the latter, in addition to a written request specifying the grounds for appeal and any prescribed appeal fee, a copy of the director's written reasons for the determination.

This Bill will come into force by proclamation.

¹ This Act was described in the Fall 2002 issue of the *Workplace Gazette*, Vol. 5, No. 3.

British Columbia: Amendments to the *Employment Standards Regulation*; B.C. Regulation 375/2003 under the *Employment Standards Act*; Approved and Ordered October 23, 2003

The definition of "high-technology professional" has been broadened for the second time in less than a year.² It now also includes employees who are primarily engaged in applying their specialized knowledge and professional judgement in the process of developing scientific or technological products, materials, devices or processes (including prototypes) or in carrying out "scientific research and experimental development," as defined in subsection 248(1) of the *Income Tax Act (Canada)*. Thus, professionals in biotechnology and robotics now fall within the scope of this definition, in addition to previously covered information technology professionals. (However, the new definition specifically excludes persons employed to provide basic operational technical support.) Sales and marketing professionals of high technology (e.g. scientific/technological systems, products and processes, and scientific research) are also considered to be "high-technology professionals," unless their employment is in retail sales.

As was previously the case, high-technology professionals are not covered by the *Employment Standards Act's* provisions regarding hours of work, overtime and statutory holidays (except for the prohibition on excessive hours).

These changes came into force on October 23, 2003.

Nova Scotia: *Retail Business Uniform Closing Day Act (amended)* and *Labour Standards Code (amended)*; Bill 2; Assented to October 30, 2003

This legislation has amended the *Retail Business Uniform Closing Day Act* to allow all retail businesses to open on the six Sundays before Christmas in 2003. A plebiscite will also be held during the next municipal elections, in October 2004. Voters will be asked two questions: whether to allow Sunday shopping in all retail businesses and, if so, whether it should be restricted to the six-week period immediately before Christmas or allowed throughout the year. Sunday shopping will not be allowed before 1 p.m. or after 6 p.m., nor on designated statutory holidays.³ The provincial government will have the power to implement the decision of the plebiscite by regulation.

The legislation provides that owners and operators of retail businesses may not be required to operate on a Sunday, regardless of any lease or other agreement. Provisions also prohibit discrimination or retaliation (e.g. by refusing to renew a lease) against a person who refuses to operate a retail establishment on a Sunday.

Bill 2 has also amended the *Labour Standards Code* (LSC) to protect employees of retail businesses and to bring significant changes to other labour standards.

Protection of Retail Business Employees

Persons employed in retail businesses that were previously prohibited from opening on Sunday have the right to refuse to work on Sundays, regardless of the terms of their contract of employment or any other agreement.⁴ Even after having

² Regulation 307/2002, which came into force on November 30, 2002, repealed and replaced the previous definition of "high technology professional". See *Workplace Gazette*, Vol. 6, No. 1, Spring 2003.

³ Sunday shopping will not be allowed on the following days: New Year's Day, Easter Sunday, July 1st, Remembrance Day, Christmas Day and Boxing Day.

⁴ These employees also have the right to refuse "to sign a contract of employment or agreement that requires [them] to work in a retail business on Sunday."

agreed to work on Sundays, they have the option of refusing to work on one or more Sundays if they notify their employer at least seven days in advance—or within two days of being notified of their shift schedule, if later.

Protection against Discrimination and Retaliation

Section 30 of the LSC ("No discrimination against complainant or witness") has been reinforced. Under previous provisions, employers were prohibited from discharging, laying off or discriminating against a person because that person, in accordance with the LSC, had made a complaint, testified in a proceeding, made a disclosure or taken—or shown an intention to take—a leave of absence provided for under the LSC. Bill 2 has made the following changes to section 30:

- extending the list of prohibited actions to make it unlawful for an employer to "suspend, intimidate, penalize or discipline" a person on such grounds;
- adding a clause prohibiting employers from retaliating against a retail business employee who has exercised (or attempted to exercise) his/her legal right to refuse to work on Sunday; and
- adding a subsection to place on the employer the onus of proving that a provision set out in section 30 has not been contravened.

Moreover, new provisions clarify that, among other remedies available when the LSC has been contravened, the Director of Labour Standards (the Director) and the Labour Standards Tribunal may order the reinstatement of an employee. The Director has also been given more flexibility to decide whether or not to "endeavour to effect a settlement" after receiving a complaint.

A new section also provides for specific remedies where an employer, contrary to the LSC's provisions, retaliates against a retail business employee for refusing to work on a Sunday. Where the

Director determines that such a contravention has occurred, the employer must, by a specified date, reinstate the employee with no deterioration in the terms and conditions of his/her employment, pay the employee any wages or benefits lost due to the contravention, remove a reprimand or other references in the employee's records, and do the things that, in the Director's opinion, are necessary to secure compliance with the *Act*.

Annual Vacation

An amendment provides for an unbroken annual vacation of at least three weeks for employees who have more than eight years of service with their employer.

However, provisions regarding vacation pay were not modified. This means that minimum vacation pay remains fixed at four per cent of wages, regardless of an employee's length of service.

Overtime Rate

The overtime rate was increased from one and a half times the minimum wage, to one and a half times the employee's regular hourly wage. Overtime remains payable for hours worked in excess of 48 hours in a week.

Minimum Wage

A Minimum Wage Review Committee, composed of an equal number of employer and employee representatives appointed by the Minister of Labour, will be established. Its function is to conduct an annual review of the minimum wage and submit recommendations to the Minister in a report. The report and the response of the Government must be made public by the Minister within a specified period.

Sick Leave/Family Leave

Employees are now entitled to up to three days of unpaid leave per year. This leave may be taken due to family illness (i.e. the sickness of a child, parent or other unspecified family members) or for medi-

cal, dental or other similar appointments during the employee's working hours.

Penalties

Finally, penalties have been substantially increased for persons that are guilty of an offence under the LSC. On summary conviction, fines of up to \$25,000 may be imposed on a corporation, \$5,000 on an employer that is not a corporation or on a director of a corporation, and \$2,500 on an employee. A person guilty of a second or subsequent offence is liable to a fine equal to double these amounts and/or three months of imprisonment.

Bill 2 came into force on October 30, 2003, the day it received Royal Assent.

Nova Scotia: *Labour Standards Code (amended) and Vital Statistics Act (amended)*; Bill 7; Assented to October 30, 2003

This Act will introduce new compassionate care leave provisions in the *Labour Standards Code* and bring consequential amendments to the *Vital Statistics Act*. This follows the adoption of the *Budget Implementation Act, 2003* (Bill C-28) by the Parliament of Canada in June 2003. The latter Act, which is slated to come into effect on January 4, 2004, will add compassionate care benefits to the other special benefits provided under the Employment Insurance Program and amend the *Canada Labour Code* to afford job protection to employees under federal jurisdiction who take compassionate care leave.⁵

Compassionate care leave provisions in Nova Scotia's *Labour Standards Code* will be generally similar to those in the *Canada Labour Code*. There are nevertheless some notable distinctions.

Employees covered by the *Labour Standards Code* who have been employed by their employer for a period of at least three months⁶ will be entitled to take up to eight weeks of unpaid leave to provide care or support to a "family member" (i.e. a spouse, child or parent⁷) if a legally qualified medical practitioner issues a certificate stating that this person has a serious medical condition with a significant risk of death within a period of 26 weeks. In contrast to the new federal legislation, the period of leave will not have to be shared when two or more employees provide care or support to the same person: each employee who meets eligibility requirements will be entitled to the full eight-week unpaid leave.

Compassionate care leave will have to be taken within a specified period of 26 weeks. However, should the family member die before the end of this period, the leave will not extend beyond the last day of the week in which the death occurs. The *Act* also specifies that leave will have to be taken in periods of at least one week.

An employee will be required to notify his/her employer as soon as possible of any intention to take compassionate care leave. At the written request of the employer, the employee will also have to provide a copy of the medical certificate attesting to the family member's serious medical condition.

⁵ More information on Bill C-28 is available in the Summer 2003 issue of the *Workplace Gazette*, Vol. 6, No. 2.

⁶ No such service requirements will appear in the *Canada Labour Code*.

⁷ The definition of "family member" will also include a common-law partner, a child of the employee's spouse or common law partner and a spouse or common-law partner of the employee's parent. The Governor in Council will have the power to extend, by regulation, the list of family members with respect to whom compassionate care leave may be taken.

Enforcement and reinstatement provisions regarding pregnancy and parental leave will apply to an employee who takes compassionate care leave. Such an employee will also have the option of maintaining, during the period of leave, a benefit plan to which he/she participated prior to the leave. However, the employee will be required to pay the employer's share of the benefit plan cost, unless the employer consents to continue its contribution. The employer will be required to notify the employee in writing of the option to maintain a benefit plan and of the deadline for deciding whether or not to exercise that option.⁸

Finally, Bill 7 will amend the *Vital Statistics Act* to provide an employee with the right to take bereavement leave and compassionate care leave in relation to a person with whom he/she has a registered domestic partnership.

These amendments will come into force upon proclamation.

Nunavut: *An Act to Amend the Labour Standards Act*; Bill 42; Assented to November 5, 2003

Once it comes into force, this Act will add a new part to the *Labour Standards Act* (LSA) regarding compassionate care leave. These provisions will be very similar to those of the *Canada Labour Code*.⁹

Employees covered by the LSA will be entitled to take up to eight weeks of leave to provide care or support to a family member (i.e. a spouse, common-law partner,¹⁰ child or parent of the employee, a child of the employee's spouse or common-law partner, or a spouse or common-law partner of the employee's parent)¹¹ if a qualified medical practitioner¹² issues a certificate stating that the family member has a serious medical condition with a significant risk of death within a period of 26 weeks. Where two or more employees provide care or support to the same person, the eight weeks of leave will be split between them.

Compassionate care leave will have to be taken within a specified period of 26 weeks.¹³ However, the leave must end on the last day of the week in which the family member dies, if this occurs earlier. Although the eight weeks of leave may be broken up, it will have to be taken in periods of at least one week's duration.

There will be no length of service or notice requirements to qualify for compassionate care leave, nor will entitlement to Employment Insurance benefits be a precondition. A copy of the medical certificate will nevertheless have to be provided to the employer if the latter so requests in writing within 15 days of the employee's return to work.

⁸ The employee must be notified at least 10 days before the last day on which the option to maintain a benefit plan may be exercised without interrupting benefits.

⁹ See *Workplace Gazette*, Vol. 6, No. 2, Summer 2003.

¹⁰ "Common-law partner" is defined as a person cohabiting with the employee in a conjugal relationship, having so cohabited for a period of at least one year.

¹¹ The definition of "family member" may be extended by regulation. Moreover, any extension of the definition of "family member" under the *Canada Labour Code* or subsection 23.1(1) of the *Employment Insurance Act* (Canada) will also be incorporated by reference in the *Labour Standards Act*'s definition of "family member."

¹² A "qualified medical practitioner" is defined as "a person who is entitled to practise medicine under the laws of a jurisdiction in which care or treatment of the family member is provided." This definition will be expanded to include "a member or class of medical practitioner prescribed for the purposes of subsection 23.1(3) of the *Employment Insurance Act*."

¹³ This period will be reduced if a shorter period is prescribed under subsection 23.1(5) of the *Employment Insurance Act*.

A section will also specifically prohibit employers from dismissing, suspending, laying off, demoting or disciplining an employee who has applied for compassionate care leave under the LSA, or from taking into account the intention of an employee to take such leave in any decision to promote or train the employee.

This Act will come into force on the same date as section 27 of the *Budget Implementation Act, 2003* (Canada)—i.e. January 4, 2004.

Nunavut: Human Rights Act; Bill 12; Assented to November 5, 2003

The purpose of this Act is to replace the *Fair Practices Act* and reform human rights legislation in Nunavut, while taking into account Inuit culture. It will expand the list of prohibited grounds of discrimination, establish an independent Human Rights Tribunal and put in place a new process for hearing and resolving issues concerning human rights. Although this legislation bears some resemblance to the Northwest Territories' *Human Rights Act*, which was adopted in the fall of 2002, there are nevertheless many important differences between the two laws.¹⁴ Following are the most significant elements of Nunavut's *Human Rights Act* (HRA) with respect to employment-related issues.

Interpretation and Application

In terms of the HRA's application, provisions specify that nothing in the *Act* will abrogate or derogate from the protections provided for in the Nunavut Land Claims Agreement, or from any existing aboriginal and treaty rights under section 35 (Recognition of existing aboriginal and treaty rights) of the *Constitution Act, 1982*.

Prohibited Discrimination

Nunavut's *Human Rights Act* will provide protection against discrimination and harassment on the following grounds: race, colour, ancestry, ethnic origin, citizenship, place of origin, creed, religion, age, disability, sex, sexual orientation, marital status, family status, pregnancy, lawful source of income and a conviction for which a pardon has been granted. Protection against discrimination on the basis of sex will be deemed to include protection against discrimination on the basis that a person may become pregnant or, regardless of whether the person is male or female, that he/she may adopt a child. As for the term "disability," it will be defined as "any previous or perceived mental or physical disability", including "disfigurement and previous or existing dependency on alcohol or a drug." In addition, individuals will be protected from discrimination on the basis of their association or relationship, whether actual or perceived, with an individual or class of individuals identified by a prohibited ground of discrimination.

As is currently the case in the *Fair Practices Act*, the HRA will prohibit discrimination in employment, including any term or condition of employment, whether such term or condition was prior to or is subsequent to the employment. However, this provision will not affect, with respect to age and marital status, the operation of any genuine retirement or pension plan, or the terms of a genuine group or employee insurance plan. Nor will it prevent certain employment practices based on justified occupational requirements, if accommodating the needs of an individual or group of individuals would impose undue hardship¹⁵ on an employer. Moreover, not for profit organizations, societies and corporations of a charitable, educational, fraternal,

¹⁴ The *Human Rights Act* of the Northwest Territories was outlined in the Spring 2003 issue of the *Workplace Gazette*, Vol. 6, No. 1.

¹⁵ The *Act* defines "undue hardship" as "excessive hardship as determined by evaluating the adverse consequences of a provision in this Act that requires a duty to accommodate, by reference to such factors as (a) health and safety; (b) disruption to the public; (c) effect on contractual obligations; (d) cost; and (e) business efficiency."

religious, athletic, social or cultural nature, or operated primarily to foster the welfare of a religious or racial group will, under specified circumstances, be entitled to give preference in employment to an individual or group of individuals. A similar exemption will apply when hiring a person to provide personal services¹⁶ in a private residence.

An additional provision will forbid harassment of any individual or group of individuals on the basis of a prohibited ground of discrimination in matters related to employment or with respect to membership in an employees' organization, trade union, trade association, occupational or professional association or society, employers' organization or co-operative association or organization. Furthermore, it will be unlawful for such organizations and associations to exclude from full membership any individual or class of individuals, expel, suspend or otherwise discriminate against any of its members, or discriminate against an individual "in regard to his or her employment by an employer" on the basis of a prohibited ground of discrimination unless, (1) this is done in good faith and with reasonable justification and, (2) accommodating the needs of the individual or class of individuals would impose undue hardship.

Rules governing employment applications and advertisements in the HRA will be akin to those currently found in the *Fair Practices Act*.

Absence of Equal Pay Provisions

Contrary to the *Fair Practices Act*, the HRA does not contain any equal pay provisions. (Currently, the *Fair Practices Act* is the only Nunavut statute requiring employers to pay female employees the same rate of pay as male employees for similar or substantially similar work.)

Human Rights Tribunal

The HRA provides for the establishment of a Human Rights Tribunal (the Tribunal), composed of members appointed by the government who have "an interest in and a sensitivity to human rights and to Inuit culture and values that underlie the Inuit way of life." The Tribunal will be responsible for enforcing the HRA, including receiving, hearing and settling complaints, as well as preparing an annual report. In contrast with most other jurisdictions in Canada (except British Columbia), there will be no Human Rights Commission in Nunavut, nor any specific procedures for the investigation of complaints.

Complaints and Adjudication

An individual or group of individuals aggrieved by a contravention of the HRA will be able to file a notification with the Human Rights Tribunal, generally within two years of the last alleged instance of the contravention. A notification may also be filed by someone on behalf of another person or a group or class of persons. In that case, however, the Tribunal will have to refuse to accept the notification if satisfied that it was filed against the will or that proceeding with the notification is not in the interest of the alleged victim(s) of discrimination.

The Tribunal will have the power to dismiss a notification that is trivial, frivolous, vexatious or not made in good faith, or filed after the expiration of the two-year delay. It may also dismiss a notification where, in its opinion, there is no evidence of discrimination on a prohibited ground, undisputed facts clearly provide a defence, or the person who filed the notification has refused a reasonable offer of settlement.

¹⁶ "Personal services" is defined as "work of a domestic, custodial, companionship, personal care, medical care, child care, or educational nature, or other work within a residence that involves frequent contact or communication with persons who live in the residence."

Before holding a hearing with respect to a notification, the Tribunal may assist the parties in reaching a settlement. Should an ensuing settlement agreement be breached, its terms may be enforced in the same manner as an order of the Tribunal (but only to the extent that the Tribunal has the power to make an order regarding the terms of the agreement).

Where a notification has neither been dismissed nor settled, the HRA provides that the Tribunal will hold a hearing.¹⁷ If it finds that the notification has merit in whole or in part, the Tribunal will have the power to order a party to cease contravening the *Act* or regulations, to compensate an injured party for losses (which may include the payment of an amount for injury to dignity, feelings or self-respect and/or an amount for any malice or recklessness involved in the contravention), to hire or reinstate a person, to adopt an affirmative action program, or to take any other action that the Tribunal deems appropriate having regard to Inuit culture and values. The Tribunal may also make a declaratory order that the conduct that was the subject matter of a notification, or similar conduct, is discrimination contrary to the HRA and its regulations. In addition, the Tribunal may order, in some cases, that a party pay all or some of the costs of another party. With respect to false claims, it can also order the payment of damages for injury to a person's reputation.

A party to a notification will have 30 days to appeal a decision or order of the Tribunal to the Nunavut Court of Justice, from the date it has been served. However, such an appeal will only be allowed on questions of law.

Moreover, the HRA will provide for special remedies, allowing a person to apply for a court order or an injunction in specified circumstances to ensure compliance with key aspects of the *Act*.

Penalties

A person who fails to comply with an order or decision of the Tribunal or a court under the *Act*, or who discharges, suspends, intimidates or retaliates against an individual for notifying or attempting to notify the Tribunal of a contravention or for assisting in the application of the *Act* (e.g. giving evidence in a proceeding), will be liable to a fine of up to \$25,000 on summary conviction.

Coming Into Force

Most of the *Act* will come into force on November 5, 2004—i.e. one year after the day it received Royal Assent—except sections establishing the Human Rights Tribunal (sections 16 to 19), which came into effect on the date of assent.

Prince Edward Island: Proclamation, *An Act to Amend the Employment Standards Act*; Gazetted November 1, 2003

Amendments to the *Employment Standards Act*, which were described in the summer 2003 issue of the *Workplace Gazette* (Vol. 6, No. 2), will come into force on January 1, 2004.

Yukon: *Act to Amend the Employment Standards Act*; Bill 38; Assented to November 17, 2003

This Act, in a similar manner as legislation passed earlier by the federal jurisdiction, Nova Scotia and Nunavut, will provide for compassionate care leave under Yukon's *Employment Standards Act* (ESA).

For the most part, Yukon's compassionate care leave provisions will be nearly identical to those of Nunavut (described above): the maximum duration of such a leave will be eight weeks (leave being shared where more than one person provides care and support for the same family member); leave will have to be taken in periods of at least one week; there will be no

¹⁷ Hearings will be open to the public unless the Tribunal decides, on its own initiative or at the request of a party, that there are sufficient reasons to justify holding all or part of the hearing in private.

service or notice requirements, although a medical certificate attesting to the family member's serious medical condition and significant risk of death within 26 weeks will have to be issued by a medical practitioner, a copy of which the employer may require in writing.

The main difference in comparison to legislation in Nova Scotia, Nunavut and the federal jurisdiction is that Yukon's ESA will stipulate that leave may be taken to provide care or support to an "immediate family member," defined as "a spouse, parent, child, including a child to whom the employee stands in the place of parent, brother, sister, father of a spouse, mother of a spouse, step-mother, step-father, grandparent, grandchild, son-in-law, daughter-in-law, and any relative permanently residing in the employee's household or with whom the employee resides." (In the ESA, the term "spouse" includes a person with whom the employee "cohabited as a couple for at least 12 months" immediately before the beginning of the leave.) The scope of compassionate care leave in Yukon will therefore be significantly broader than in the other jurisdictions mentioned above.

Moreover, leave will have to be taken during the period starting on the first day of the week in which a medical certificate has been issued and ending on

the last day of the 26th week following. Regardless of whether or not this period has expired, leave must end on the last day of the week in which the immediate family member dies. In comparison with provisions in other jurisdictions, Yukon's legislation will not allow leave to start earlier than the week in which the medical certificate is issued. Furthermore, the ESA will contain no provisions regarding a possible shortening of the period during which leave may be taken.

Finally, employees who avail themselves of compassionate care leave will be entitled to the same job protection as those who take sick leave or bereavement leave under the ESA. The Director of employment standards will have the power to order an employer who has contravened these provisions to comply with the *Act*, to reinstate an employee and pay him/her any wages lost due to the contravention or, instead of reinstating the employee, to pay the latter compensation for lost wages. It should be noted that the ESA will not specifically protect an employee's seniority and benefits while on compassionate care leave.

This Act will come into force on January 4, 2004.

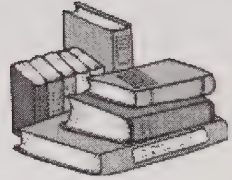
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Readers' Corner

Michèle Auger, Fred Longley and Edward Popoff
Departmental Library



Mental Health in the Workplace

Fitter, Fawn and Beth Gulas. **Working in the Dark: Keeping Your Job while Dealing with Depression.** Center City, Minn.: Hazelden, 2002.
HRDC HV3005 F57

This guide offers a step-by-step self-assessment approach to help employees protect and manage their working lives while receiving treatment for depression. Topics addressed in a question-and-answer format include how depression manifests itself at work; coping strategies to help the employee during depres-

sive episodes; determining whether the job is the problem and if so, how to handle the situation; deciding whether and how much to tell the employer about the illness; and how to counter discrimination. The appendix lists a selection of American websites dealing with depression in the workplace.

Handbook of Mental Health in the Workplace. Edited by Jay C. Thomas and Michel Hersen. Thousand Oaks, Calif.: Sage Publications, 2002.
HRDC RC967.5 H36

This book discusses workplace mental health issues related to stress or more serious psychological problems. It is organized in five parts. Part I gives an overview of the issues. Part II presents current thinking and research on job stress and its impact on mental and physical health, as well as organizational interventions for reducing job stress and work-family conflict. Part III describes the most common

disorders that may affect the workplace, focusing on their effect on the ability to work, causal factors, and treatments. Part IV explores effects in the workplace of behaviour not in standard diagnostic categories, such as anger or grieving. Part V describes how mental health issues should be addressed in designing workplace policies and accommodations for psychological disabilities.

The Handbook of Work and Health Psychology. Edited by Marc J. Schabracq, Jacques A.M. Winnubst and Cary L. Cooper. 2nd ed. New York: J. Wiley & Sons. 2003. HRDC HF5548.8 H3813 2003

This revised edition has been updated with the latest research findings in the new interdisciplinary field of work and health psychology. Following an overview of the underlying concepts of work and health psychology, the book considers specific issues, e.g. new technologies and stress; coping and stress among

women workers; and issues of the second career half. Preventive and remedial workplace interventions are surveyed, for example, job design to improve well-being and health, contributions of the learning organization and coaching and counselling.

Mental Health and Productivity in the Workplace: A Handbook for Organizations and Clinicians. Edited by Jeffrey P. Kahn and Alan M. Langlieb. San Francisco, Calif.: Jossey-Bass, 2003. HRDC RC967.5 M43

This comprehensive and practical guide uses nontechnical language to describe individual and organizational mental health problems in the workplace and how they can be resolved. It focuses on: occupational concerns that include executive dysfunction, employment uncertainty and office politics; and on organizational

issues such as chronic change, work-life balance, and the effects of organizational structure. The book also examines, from a workplace perspective, the most common employee mental health problems, including stress, depression, burnout, personality disorder and substance abuse.

Mental Health and Work: Issues and Perspectives. Edited by Lou Morrow. Irene Verins and Eileen Willis. Bedford Park, Australia: Commonwealth of Australia, 2002. On internet, <<http://auseinet.flinders.edu.au/resources/auseinet/mhw/index.php>>. HRDC RC967.5 M46

This book is divided into five sections. The first section provides an overview of the links between mental health and over- and under-employment as well as unemployment. Section Two looks at work and identity over a wide range of themes, including the relationships between race, culture, gender, age and work identity. Section Three concerns work and

safety issues, presenting interventions to deal with workplace bullying and violence. Section Four considers the relationship between work, emotion and mental well-being. The final section discusses a range of preventive as well as remedial interventions at the individual and organizational level to enhance mental well-being in the workplace.

Work and Mental Health: An Employers' Guide. Edited by Doreen M. Miller, Maurice Lipsedge and Paul Litchfield. London: Gaskell, 2002.
HRDC RC957.5 W67

This book aims to describe good practice in the field of mental health at work, and addresses both clinical problems and organizational issues. It provides practical examples of stress management and workplace mental health promotion in programs developed by a number of high-profile organizations in the United Kingdom.

NOTES

1. *For other available references in French language only, see the French version of the Workplace Gazette / Gazette du travail.*
2. *Employees of the Development can borrow these items from the Departmental Library. Others can borrow them through their own library.*

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YESTERDAY

and

TODAY

Suzanne Payette
Workplace Information Directorate
Labour Program

Older Workers—Still Willing and Able to Work

Fifty Years Ago...

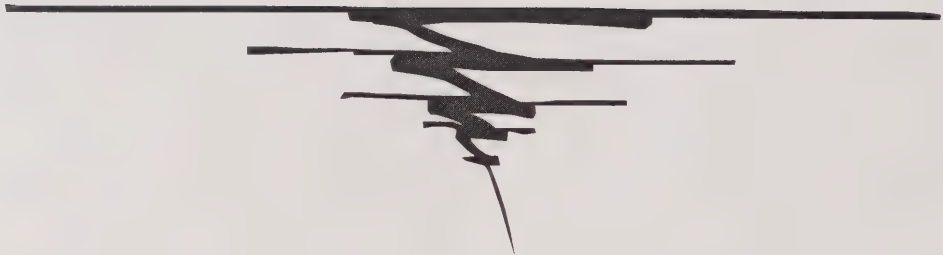
In December 1953, the *Labour Gazette* featured an article regarding the need for a change of attitude toward older workers, stating that "a change in our whole attitude to the employment of older workers is necessary if we are to prevent a waste of human resources. (...) Advances in medical science since 1900 have extended the average life span by 20 years. One of the problems of an ageing population is that of finding useful and productive employment for older persons still willing and able to work. Although a worker's calendar age may bear little relationship to his ability to do a job, it has become increasingly difficult after a certain age to find suitable employment in industry. (...) Our problem is to readapt our thinking so that we can keep our senior citizens from becoming 'displaced persons,' cut adrift from their intellectual, cultural and spiritual anchors, existing among us but not really a vital and essential part of our society. Our task then must be to make sure that the extra years that have been added to human life will be useful, satisfying and productive years. Society must not take away the years which science has provided."

Today...

The issue is even more prevalent and current. Demographics demonstrate that the median age of the Canadian population is at an all time high of 37.6 years according to Statistics Canada Census 2001 data, compared to a median age of 25.4 years in 1966. The over 65 age group now represents 13 per cent of the population, compared to 7.5 per cent in 1961. The proportion is expected to double in the next 10 years as baby boomers (born between 1947 and 1966) make their way into the over 65 age group. The average age of workers is close to 50 in a number of large organizations. Organizations reporting demographic studies indicate that approximately one quarter of their staff could retire in the next five years and as many as one half would be eligible for retirement in the next 10 years. A smaller number of labour force entrants will create an overall labour shortage which may be exacerbated by further shortages in critical skills. These conditions may provide a major impetus for organizations to review their policies and practices related to retirement. Whereas retirement incentives and voluntary retirement packages were a solution to workforce reductions, one may see a shift towards induce-

ments for not retiring and working beyond retirement. Measures to protect a dwindling labour force in general and critical skills shortages in particular may include progressive retirement practices and working part-time well into retirement years. Recognizing and incensing such behaviours may be ways of easing such shortages and may play a role in changing attitudes towards older workers and their contribution to a produc-

tive life in Canada. Cost of publicly funded retirement plans may also bring about changes in retirement income funding whereby eligibility for pension benefits is pushed back to an older age, alleviating the social costs borne by a smaller labour force complement. The issue of an ageing workforce continues to be a challenge for employers, unions and governments.



INFORMATION PRODUCTS AND CLIENT SERVICES

Client Services

The Workplace Information Directorate is your source for up-to-date, customized information on industrial relations and collective bargaining in Canada.

By meeting your specific research needs, we can assist you in preparing for the resolution of issues at the bargaining table. We can also help you keep abreast of developments in the industrial relations field through our information service and publications. Our resources are used by negotiators, researchers, economists, consultants, journalists, teachers and many others.

Wage Settlements Bulletin

A monthly publication providing the most up-to-date information and analysis of major wage developments in collective bargaining in Canada. The Bulletin is a valuable and recognized reference source providing statistical and analytical information illustrated with useful charts and tables on recent wage developments. The aggregate data and details are published in the following groupings: public and private sectors, regions and jurisdictions, and major industry groups. **Subscription:** Canada, 1 year: \$220 or 2 years: \$400 plus 7% GST; other countries, 1 year: US\$220 or 2 years: US\$400 (available by e-mail and mail).

Negotech

A searchable labour relations database providing timely information on the key aspects (settlement reports and full collective agreement contract language) of collective bargaining in Canada. Access via the Internet. Available free as an added value to subscribers of our publications.

Visit our Web Site for information on work stoppages, labour organizations in Canada, a calendar of collective agreement expiries and reopeners, articles and case studies published in the Workplace Gazette, information on innovative workplace practices and a selection of recent changes in Canadian labour laws.

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A quarterly publication providing data on wage adjustments from major collective bargaining settlements in Canada by public and private sectors, by region, by jurisdiction and by major industry; detailed analysis of selected provisions in major agreements; a chronological perspective on work stoppages; and, information on innovative workplace practices resulting from collective bargaining. It also features articles and case studies on pertinent industrial relations matters. **Subscription:** Canada, 1 year: \$140 or 2 years: \$250 plus 7% GST; other countries, 1 year: US\$140 or 2 years: US\$250 (available by mail only).

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